

San José State University
College of Business – Accounting and Finance Department
Business 1021 – Managerial Accounting – Section 2 Spring Semester, 2019

Course and Contact Information

Instructor:	Richard (Rick) Steingart
Office Location:	BT 554
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Email:	richard.steingart@sjsu.edu [Students should Show enrolled name, class and section on email]
Office Hours:	Monday 10:30 – 11:30 A.M. 4:30 – 5:30 P.M. Or by appointment.
Class Days/Time:	Section 2 Monday/Wednesday 12:00 – 1:15 P.M. LEC 27053
Classroom:	BBC 322
Prerequisites:	Business 1020, 1020N Financial Accounting (cannot be taken concurrently) Financial Accounting must have been completed with minimum grade of C. Can be taken at another college. No exceptions to this prerequisite.

Course Format

Canvas and MYSJSU Messaging

Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on [Canvas Learning Management System course login website](#) at <http://sjsu.instructure.com>. You are responsible for regularly checking with the messaging system through [MySJSU](#) at <http://my.sjsu.edu> to learn of any updates.

Course Description

Uses of accounting data for managerial decision making. Topics include: cost accumulation for product costing; cost-volume-profit relationships; profit planning; standard costing; flexible budgets; performance measurement; relevant costs for decisions; capital budgeting. Managerial accounting emphasizes how accounting data is used internally within a company for planning operations, controlling activities, and making decisions.

Note: Focus is on Decision Making

As this is a class for non-accounting majors there will be more of an emphasis on management decision making and less emphasis on the recording of business transactions (debits and credits). The objective is to relate management accounting concepts to operational decision making in marketing, management, and human resources and other related business activities.

Course Goals College of Business Program Goals (CBPG):

College of Business Program Goals: (Not all program learning goals are covered in every course)

1. **Business Knowledge (CBPG1)** Understand basic business principles and demonstrate discipline-specific competencies as applied to local and global environments.
2. **Communication (CBPG2)** Communicate ideas clearly, logically, and persuasively in oral and written format, using technology appropriately.
3. **Ethical Awareness (CBPG3)** Recognize, analyze, and articulate solutions to ethical issues that arise in business.
4. **Leadership, Teams and Diversity (CBPG4)** Comprehend the challenges and opportunities of leading and working in diverse teams and environments.
5. **Critical Thinking (CBPG5)** Comprehend, analyze, and critically evaluate complex and unstructured qualitative and quantitative business problems, using appropriate tools and technology.
6. **Innovation (CBPG6)** Recognize, analyze, and articulate strategies for promoting creativity and innovation.

Course Learning Outcomes (CLO)

Upon successful completion of this course, students will be able to:

1. Identify differences between financial & managerial accounting; manufacturing & retail inventory
2. Understand variable/fixed cost behavior, sunk cost, opportunity cost and use in decision making
3. Prepare a contribution format Income Statement and compute the break even point.
4. Perform cost volume profit analyses and calculate the impact of business changes on income.
5. Understand Job Order Costing and calculate over and under applied overhead and net income impact
6. Understand Process Costing and the concept of equivalent unit production.
7. Prepare variable and absorption costing income statements and understand over-production impact
8. Understand the sequential budgets used in profit planning; from sales to pro-forma financial statements
9. Understand/compute materials/labor standard settings, variance calculations, analysis and reporting
10. Understand flexible budgets and their use versus a static budget; activity & revenue/spending variances
11. Understand differential/incremental cost analysis to make non-routine business decisions.
12. Understand the concept and compute present value of a single payment and an annuity.
13. Understand capital budgeting methods: net present value, internal rate of return, payback, profit index

Required Texts/Readings

Textbook: Managerial Accounting: Garrison, Noreen, Brewer 14th Edition; McGraw Hill
ISBN: 978-0-07-811100-6 McGraw Hill [Text edition will be available online, likely not at bookstore.]
Please note this is not the current edition. A copy is on reserve in the Martin Luther King Library.

Class Reader: Students **must** purchase class reader notes for \$20 available at Maple Press,
located near the corner of San Carlos and 10th St. SJ (one block from class) Phone: (408) 297-1000
I will ask Maple Press to come to class at the start of the second class session to facilitate reader purchase.
The reader should be put into a three-ring binder and brought to every class. It includes blank templates used to complete class examples.

Students should bring a pencil and a four function calculator to every class to do class exercises.
Scantron Form No. 882-E is required for all examinations.

Course Requirements and Assignments

“Success in this course is based on the expectation that students will spend, for each unit of credit, a minimum of forty-five hours over the length of the course (normally 3 hours per unit per week with 1 of the hours used for lecture) for instruction or preparation/studying.

Note: Working students should balance the number of hours worked each week with the number and types of classes taken to be evaluate if they have adequate time for studies and personal activities/commitments.

Student Responsibility:

Students are responsible for following SJSU policies and schedules and class schedules.
Students are responsible for communicating with instructors on a timely basis whenever there is an issue adhering to class schedules (e.g., leaving class early, not being able to take an exam). If exams are impacted then the communication should be as soon as possible. Students should inform instructors as soon as possible if they no longer intend to complete the class.

Final Examination or Evaluation: Two hour exam See syllabus for chapters covered on final exam.

Grading Information

Task	% of Course Grade
First Mid Term Exam	25%
Second Mid Term Exam	25%
Third Mid Term Exam	25%
Final Exam	25%
Total	100%

Determination of Grades –Exams

Note: Each exam consists of multiple choice questions and may also include additional problems given for extra credit. To receive the extra credit (which may be substantial) students must compute the correct answer and clearly show their calculations leading to the correct answer (with the correct answer clearly visible in the calculations). Partial credit may be given for multiple part problems.

Other than on exams and for homework (see below), there are no other extra credit opportunities.

Exams & Scantrons: [Scantron Form No. 882-E is required]

All exams will be closed book and closed notes. If applicable, formula sheets will be provided.

There will be no external aids used for the exams (e.g., cell phones, translation dictionaries).

Exams will be returned for the student's review and then **must** be recollected. During the review no markings allowed on exams. A zero grade will be given if an exam is not returned. Any questions on exam grading must be submitted the same day the exam is reviewed. **Academic integrity violations of any kind on quizzes & exams will not be tolerated.**

Scantrons must be in good condition (not bent or torn). Scantrons jamming the scantron reader will be graded manually and two points will be deducted. Two points will also be deducted for incomplete scantrons that must be completed by the instructor. Instructor does not provide scantrons.

Students ill or with family emergencies must inform instructor and submit proof (e.g., doctor's slip).

Students are advised NOT to take exams when their illness will impact test results.

Exam makeups must be pre-arranged and completed before the next Monday class, otherwise a grade of zero will be assigned

SJSU Grading Standards will be followed:

Percentage	Grade
94% and above	A
93% - 90%	A-
89% - 87%	B+
86% - 84%	B
83% - 80%	B-
79% - 77%	C+
76% - 73%	C
72% - 70%	C-
69% - 67%	D+
66% - 63%	D
62% - 60%	D-
below 60%	F

Grading Information for Finance and non-Finance Majors

You are recommended to check the following B21 passing grades with your academic advisor:

If you are not a finance major, the passing grade is D.

If you are a finance major, then the passing grade is C.

Note: It is the student's responsibility to actively seek assistance if they are not passing.
Students should carefully assess their grade status after each examination.

Homework (To be discussed in class)

Homework should be completed soon after the material is covered in class and no later than before the next class. There are two types of homework assignments; homework due on canvas by a certain date and homework due at the start of the first three midterms. Solutions are provided on the web for homework due at the midterms, but not for homework due on canvas.

For Midterm 1 there is homework due on canvas (Problem 2-24 and Exercise 5-17) as well as homework to be handed in at the start of the midterm.

For Midterm 2 there is homework due on canvas (Exercise 3-10 and Exercise 3-12) as well as homework to be handed in at the start of the midterm

For Midterm 3 there is homework due on canvas (Problem 8-16) as well as homework to be handed in at the start of the midterm.

Note that just copying and reviewing the homework solutions made available without actually doing and understanding the assignment will generally negatively impact performance on exams and subsequently impact your success in this class. Students are expected to keep current with homework and email instructor with any questions and/or discuss in office hours..

Extra Credit - Homework

Extra credit for homework is given with each of the three midterms as follows:

For homework due on Canvas: the homework must be uploaded by the date due otherwise it does not count. The purpose of giving Canvas submitted homework is to avoid students waiting until several days before midterms to start studying and doing midterm related homework. For Canvas submitted homework the solutions will not be given; submissions will be checked for effort demonstrating the understanding of concepts.

For written homework handed in at the start of the first three midterms:

- 1 Homework **MUST be hand written and stapled together** to facilitate quick review (no loose pages).
All the homework **must be stapled together once**, not by chapter. If not stapled, no review/extra credit.
Also, exam day homework will not be reviewed if the CANVAS problems have not been submitted.
- 2 **Each homework example exercise/problem number is highlighted with a yellow highlighter.**
- 3 **ALL homework examples assigned must be done**; with no example missing, else no extra credit.
Also, some homework examples have multiple parts; each part must be done; especially statements.
- 4 Homework **MUST be handed in no later than 5 minutes after the exam starts.**
- 5 Copies (Xerox) of published homework solutions are not acceptable (receive no credit).
- 6 Students missing an exam due to illness must hand in homework/Dr. note at time of makeup exam.
- 7 Homework is collected for the first three midterms only. No homework is collected for the final.

One point extra credit per homework is given for each fully completed homework.

This means that **BOTH** the Canvas and class homework must be submitted on time.

For each of the three homeworks there will be one extra credit point added to the average of the three midterms and final exam. **If the homework for all three exams are successfully submitted then an additional extra credit bonus point will be added.** As a result **there is a maximum of four points extra credit added to the average grade for all four exams.**

Homework Extra Credit sample calculations

Up to 4 homework extra credit points may be added to average grade from midterms and final exam.

Example 1: Average on Midterms and Final is	86 = B	Grade before extra credit.
Plus four extra credit homework points	<u>4</u>	
Total	90 = A-	Grade with homework extra credit.

Example 2: Average on Midterms and Final is	79 = C+	Grade before extra credit.
Plus one extra credit homework point	<u>1</u>	
Total	80 = B-	Grade with homework extra credit.

Classroom Protocol - CLASS WILL START PROMPTLY

Students should arrive promptly, turn off laptops, ipads, iphones & cell-phones to actively listen/participate. Students arriving late may be asked to sit at the rear of the class or in instructor designated seats for group work. If this is an evening class, there will be one or two breaks. Classroom attendance will be taken every class. However attendance will not impact grades, only exam results and homework.

The typical class will start with a lecture of new materials for the week per the syllabus. After new concepts are covered, usually including a solved problem by the instructor, students will either solve a problem by working in pairs, or listen to a video on the managerial accounting concepts covered, or possibly both. Students are encouraged to work together to learn how to solve the assigned problems and to help each other out. This is primarily a problem solving class.

Tutoring

Tutoring is usually available at the student success center on ground floor of the BBC.

Check their office for times and days when tutoring is available for B21.

Please inform the instructor if there is no tutoring available for Bus 21 classes.

<http://www.sjsu.edu/cob/Students/policies/index.html>

University Policies

Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs' [Syllabus Information web page](#) at <http://www.sjsu.edu/gup/syllabusinfo/>"

Consent for Recording of Class and Public Sharing of Instructor Material

[University Policy S12-7](http://www.sjsu.edu/senate/docs/S12-7.pdf), <http://www.sjsu.edu/senate/docs/S12-7.pdf>, requires students to obtain instructor's permission to record the course and the following items to be included in the syllabus:

- “Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor's permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material.”
 - It is suggested that the greensheet include the instructor's process for granting permission, whether in writing or orally and whether for the whole semester or on a class by class basis.
 - In classes where active participation of students or guests may be on the recording, permission of those students or guests should be obtained as well.
- “Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.”

Dropping and Adding

Students are responsible for understanding the policies and procedures about add/drop, grade forgiveness, etc. Add/drop deadlines can be found on the current academic year calendars document on the [Academic Calendars webpage](#). Students should be aware of the current deadlines and penalties for dropping classes ([Late Drop Information](#)).

Information about the latest changes and news is available at the [Advising Hub](#).

Lucas College and Graduate School of Business:

Mission: We are the institution of opportunity in Silicon Valley, educating future leaders through experiential learning and character development in a global business community and by conducting research that contributes to business theory, practice and education.

Spring	2019	Business 1021 Managerial Accounting		Date Home work is Assigned
Date	Week	Sec. 2 LEC 27053 BBC322 Mon./Wed. 9:00-10:15 AM	Rea-	Do assignment before next class
Sec 2	V1		der	Q=Question E=Exercise
Mon. & Wed		Text Chapters (Ch) and Topics discussed in class		P= Problem [Garrison 14th ed]
		There is a class reader with a section for each topic.		Canvas home work in []
1/28	1	Introduction/course administration; Prereq.; Time Management		Concept check HW also assigned
FDOC		Financial Accounting & Math % review: Survey, Reader	10	
1/30		Ch1 Intro.-Managerial vs.Financial Accounting; Income Statement	100	Q1-1
		Ch 1 Product/Period Cost, DM/DL/OH, Mfg. Cost Flows		
2/4	2	Ch 1 Product Cost calculation; Mfg vs. Merchandising BS/IS	100	
2/6		Ch 2 Variable/Fixed/Mixed Cost Concepts (High/Low Method)	200	Q2-1,3,5,11,14 E2-1,2,3 P2-22 [24]
2/11	3	Ch 2 Cost Concepts - Contribution Margin Statement	200	E2-4,8,11
2/13		Ch 5 Cost Vol.Profit (CVP) Analysis- Break Even Point,CM Ratio	300	E5-1,4,5,6,7,8,9,11 [E5-17]
2/18	4	HW Due on Canvas - [P2-24; E5-17 in class IS Format]		Due on Canvas [P2-24, E5-17]
		Ch 5 CVP Analysis- Operating Leverage, Margin of Safety	300	E5-10 P5-22
2/20		Ch 5 (CVP) Multiproduct Break Even Analysis; Midterm 1 prep		(Also review Concept Checks)
		Midterm 1 Exam Prep Reader Sections 100,200,300		
2/25	5	Midterm 1 Ch 1,2,5 [Cost Concepts - Cost Volume Profit -CVP]	M1	
2/27		Ch 3 Job Order Costing (JOCS); Basics; Overhead allocation	400	
3/4	6	Ch 3 JOCS; Pre-determined OH Rate; Over/Under applied OH	400	E3-1,2,3,7,8,9,14 [E3-10,12]
3/6		Ch 3/4 Product Costing Systems; Job/Process/Hybrid costing	410	Q4-1,2,3 (Process cost p141-143)
		Ch 4 Process Costing Overview	500	Q4-1,2,3,4 E4-2,3,4,10
		Midterm 1 Review		
3/11	7	HW Due on Canvas - [E3-10, 12]		Due on Canvas - [E3-10, 12]
		Ch 6 Variable Costing (VC); Intro. To Activity Based Costing	600	E6-1,9,10
3/13		Ch 7 Activity Based Costing (ABC)	800	Q7-1,2,6,7,8,10 E7-2,3,4,5
		Midterm 2 Exam Prep Reader Sections 400,600,800		(Also review Concept Checks)
3/18	8	Midterm 2 Ch 3,6,7 [JOCS,VC,ABC] Ch 6 Variable Costs only	M2	
3/20		Ch 8 Profit Planning (1): Master Budget & Cash Budgets	900	
3/25	9	Ch 8 Profit Planning (2): Budgeting Concept Checks	900	E8-1,2,3,4,5,6,7,8,9,15 P8-20 [P16]
		Ch 8 Budgeted Unit Cost and Income Statement	910	Reader -910 Concept Check 2
3/27		Ch 9 Flexible budgets - Revenue/Expense Overhead Variances	1000	Q9-1,2,3,4,5,6,7,8 E9-9,10,11,12,13
		Midterm 2 review		
4/1-5	10	Spring Break - No Classes		
4/8	11	HW Due on Canvas - [P8-16]		Due on Canvas [P8-16]
		Ch 10 Standard Costs - Material/Labor/OH Variances	1100	Q10-5,6,7,10,11 E10-1,2,6
4/10		Ch 11 Perf. Measures - Decentralization, Responsibility Acctg.	1200	Q11-1,2,3
		Ch 6 Segment Reporting [Performance Measurement]	1210	Q6-11,12,13,14 E6-4, 14,15
4/15	12	Ch 11 Performance Measurement - ROI, Residual Income	1220	Q11-4,5,6 E11-1,2,9
		Ch 11 Perf. Measures - Strategy/Balanced Scorecard	1230	Q11-9,10 P11-21
4/17		Midterm 3 Exam Prep Reader Sections 900,1000,1100, 1200-30		(Also review Concept Checks)
4/22	13	Midterm 3 Ch 8,9,10,11 Chapter 6 Segments only	M3	
4/24		Ch 12 Differential Analysis 1: Intro.; Diff vs Full cost approaches	1300	
		Ch 12 Diff. Analysis 2:Drop/Retain, Make/Buy, Special Order	1300	Q12-1,2,3,6 E12-2,3,7
4/29	14	Ch 12 Diff. Anal. 3:Sell/Process, Keep/Replace PPE; Constraints	1300	E12-4,5,6
		Midterm 3 Review		
5/1	15	Ch 13 Appendix A Present Value; Tables; PV Annuity; CC1,10	1400	E13A-1,2,4,5,6
		Ch 13 Capital Budgeting 1 - NPV with/without working capital		
5/6	16	Ch 13 Cap. Bud. 2 [IRR, Payback, Acctg ROR, Profit Index]	1410	E13-1,2,4,5,6,7,14,17
5/8		Ch 13 Cap. Bud. 2 Text review problem - solution in text	1410	Ch 13 Text Pages 603-605
5/13	17	Final Exam Prep. (Review Exam Prep Ch 12,13,5,8 before class)		
LDOC		Class Summary, Pricing Overview (1500); Ethics (1600)		
		Final Exam Prep Reader Sections 1300,1400-10,200,300, 900		(Also review Concept Checks)
		Final Exam Guidance Ch. 12, 13 (and Chapters 2,5,8)		
5/17		Final Exam B21 S2 Thurs. May 17 9:45 - 12:00 PM	Final	
	TEXT	Managerial Accounting: Garrison, Noreen, Brewer 14th Ed		ISBN: 978-0-07-811100-6 Mhill
		Syllabus may be changed with reasonable notice		