

**San José State University**  
**College of Business – Accounting and Finance Department**  
**Business 1021 – Managerial Accounting – Section 3 Fall Semester, 2018**

**Course and Contact Information**

<b>Instructor:</b>	Richard (Rick) Steingart
<b>Office Location:</b>	BT 554
<b>Telephone:</b>	(408) 924-3470 (email preferred – see below)
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<b>Office Hours:</b>	Monday 10:30 – 11:30 A.M. 4:30 – 5:30 P.M. Or by appointment.
<b>Class Days/Time:</b>	Section 3 Monday/Wednesday 3:00 – 4:15 P.M. LEC 42935
<b>Classroom:</b>	BBC 322
<b>Prerequisites:</b>	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. <b>No exceptions to this prerequisite.</b>

**Course Format**

**Faculty Web Page and MYSJSU Messaging**

The course Green Sheet can be found on my faculty web page at <http://www.sjsu.edu/people/richard.steingart>. Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on 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.

**Course Goals      College of Business Program Goals (CBPG):**

**1. Business Knowledge**

Understand basic business principles and demonstrate discipline-specific competencies as applied to local and global environments.

**2. Communication**

Communicate ideas clearly, logically, and persuasively in oral and written format, using technology appropriately.

**3. Ethical Awareness**

Recognize, analyze, and articulate solutions to ethical issues that arise in business.

## 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. Prepare variable and absorption costing income statements and understand over-production impact
7. Understand the sequential budgets used in profit planning; from sales to pro-forma financial statements
8. Understand/compute materials/labor standard settings, variance calculations, analysis and reporting
9. Understand flexible budgets and their use versus a static budget; activity & revenue/spending variances
10. Understand differential/incremental cost analysis to make non-routine business decisions.
11. Understand the concept and compute present value of a single payment and an annuity.
12. Understand capital budgeting methods: net present value, internal rate of return, payback, profit index

## Required Texts/Readings

**Textbook:** Managerial Accounting: Garrison, Noreen, Brewer 14<sup>th</sup> 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 10<sup>th</sup> St. SJ (one block from class) Phone: (408) 297-1000  
The reader should be 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. No substitutions allowed.

## 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.

**Final Examination or Evaluation:** Two hour non-cumulative 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.

**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.

### 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 class.

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-
<b>below 60%</b>	<b>F</b>

## 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. Solutions are provided on the web, however just reviewing the homework solutions made available without actually doing 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..

If you have done the homework with the aid of the text, handouts, or solutions consider doing the same example again at a later time (in the day or next day) but without any aids. **Repeat until you can solve problems independently.** This will insure you have understood and internalized the concepts.

### Extra Credit - Homework

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

1 Homework must be **hand written and stapled together** to facilitate quick review (no loose pages).

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.

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

**There is a maximum of three points extra credit added to the average grade for all four exams.**

### 8 Homework Extra Credit sample calculations

Up to 3 homework extra credit points may be added to average grade from midterms and final exam.

Example 1: Average on Midterms and Final is	87 = B+ Grade before extra credit.
Plus three extra credit homework points	<u>3</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/>"

### **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.

Fall	2018	Business 1021 Managerial Accounting		Date Home work is Assigned
Date	Week	Sec. 3 LEC 42935 BBC322 Monday/Wed 15:00-16:15 PM	Rea-der	Do assignment before next class
Sec 3	V1			Q=Question E=Exercise
Mon.		Text Chapters (Ch) and Topics discussed in class		P= Problem (Garrison 14th ed)
		There is a class reader with a section for each topic.		Also do reader concept checks
8/22	1	Introduction and course administration		See Canvas Homework Section
FDOC		Financial Accounting & Math % review: Survey, Reader	10	
8/27		Ch 1 Intro.- Income Statement-Product/Period Cost, DM/DL/OH	100	Q1-1
8/29		Ch 2 Variable/Fixed/Mixed Cost Concepts (High/Low Method)	200	Q2-1,3,5,11,14 E2-1,2,3 P2-22
9/3	2	Holiday - Labor Day - Campus Closed		
9/5		Ch 2 Cost Concepts - Contribution Margin Statement	200	E2-4,8,11
9/10	3	Ch 2 Cost Concepts (continued) Contribution Margin Statement		
9/12	4	Ch 5 Cost Vol.Profit (CVP) Analysis- Break Even Point,CM Ratio	300	E5-1,4,5,6,7,8,9,11
9/17		Ch 5 CVP Analysis- Operating Leverage, Margin of Safety	300	E5-10 P5-22
9/19		Ch 5 (CVP) Multiproduct Break Even Analysis; Midterm 1 prep		
		Midterm 1 Exam Prep Reader Sections 100,200,300		(Also review Concept Checks)
9/24	5	Midterm 1 Ch 1,2,5 [Cost Concepts - Cost Volume Profit -CVP]	M1	
9/26		Ch 3 Job Order Costing (JOCS); Basics; service business	400	
		Ch 3/4 Product Costing Systems; Job/Process/Hybrid costing	400	Q4-1,2,3 (Process cost p141-143)
10/1	6	Ch 3 JOCS; Pre-determined OH Rate; Over/Under applied OH	400	E3-1,2,3,7,8,9,14
10/3	7	Ch 6 Variable Costing (VC)	600	E6-1,9,10
		Midterm 1 Review		
10/8		Ch 7 Activity Based Costing (ABC)	800	Q7-1,2,6,7,8,10 E7-2,3,4,5
10/10		Midterm 2 Exam Prep Reader Sections 400,600,800		(Also review Concept Checks)
10/15	8	Midterm 2 Ch 3,6,7 [JOCS,VC,ABC] Ch 6 Variable Costs only	M2	
10/17		Ch 8 Profit Planning (1): Master Budget & Cash Budgets	900	
10/22	9	Ch 8 Profit Planning (2): Budgeting Concept Checks	900	E8-1,2,3,4,5,6,7,8,9,15 P8-20
		Ch 8 Budgeted Unit Cost and Income Statement	910	Reader -910 Concept Check 2
10/24		Ch 9 Flexible budgets - Revenue/Expense Variances	1000	Q9-1,2,3,4,5,6,7,8 E9-9,10,11,12,13
		Midterm 2 review (or on 10/22)		
10/29	10	Ch 10 Standard Costs - Material/Labor/OH Variances	1100	Q10-5,6,7,10,11 E10-1,2,6
10/31		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
11/5	11	Ch 11 Performance Measurement - ROI, Residual Income	1220	Q11-4,5,6 E11-1,2,9
11/7		Ch 11 Perf. Measures - Strategy/Balanced Scorecard	1230	Q11-9,10 P11-21
11/12		Holiday Veterans Day - No Classes		
11/14		Midterm 3 Exam Prep Reader Sections 900,1000,1100, 1200-30		(Also review Concept Checks)
11/19	12	Midterm 3 Ch 8,9,10,11 Chapter 6 Segments only	M3	
11/21		Day before Thanksgiving - No Classes		
11/26	13	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
11/28		Ch 12 Diff. Anal. 3:Sell/Process, Keep/Replace PPE; Constraints	1300	E12-4,5,6
		Midterm 3 Review		
12/3	14	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		
12/5		Ch 13 Cap. Bud. 2 [IRR, Payback, Acctg ROR, Profit Index]	1410	E13-1,2,4,5,6,7,14,17
12/10	15	Ch 13 Cap. Bud. 2 Text review problem - Start Final Prep	1410	Ch 13 Text Pages 603-605
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)		
12/14		Final Exam B21 S3 Fri. Dec. 14 12:15 - 14:30 PM BBC322	Final	
	TEXT	Managerial Accounting Garrison 14th Edition		ISBN: 978-0-07-811100-6 Mhill
		<b>Syllabus may be changed with reasonable notice</b>		