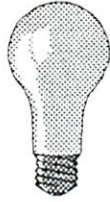


GOVERNORS STATE UNIVERSITY
College of Business and Public Administration
Department of Accounting, Economics and Finance



Course: Accounting for Administrative Control
 Course No.: ACCT 801
 Prerequisites: ACCT301 or equivalent
 Index No.: 20536
 Semester: Spring 1994 Block II
 Credit Hours: Three
 Meeting Time: Mondays and Wednesdays 7:30 -10:20pm
 Instructor: Dale M. Velkovitz MBA,CPA,CMA,ABD
 Office: COBPA ACCT/FIN/ECON Wing C3604
 Office Hours: Monday 3:50-5:20pm 6:30-7:30pm
 Wednesday 3:50-5:20pm 6:30-7:30pm
 and by appointment
 Office Phone: (708) 534-4970
 (Voice mail on 4th or 5th ring)
 Email: ACCY2918@VMD.CSO.UIUC.EDU
 Secretary: Mrs. Anita Werner
 (708) 534-4930
 Required Text: Cost Accounting, A Managerial Emphasis
 8th Edition. Horngren, Foster, and Datar
 Prentice Hall Publishers (1994)
 Optional Texts: Cost Accounting, A Managerial Emphasis
8th Edition Study guide Horngren, Foster,
 and Datar, Prentice Hall Publishers (1994)
 Lecture Series Notes are on reserve in the
 Library. Students may borrow problem
 solutions from the instructor

GSU ARCHIVES
 ACCT 801
 SS 1994

<u>Grading:</u>	<u>Item</u>	<u>Points</u>
	Class Project	100
	Exam I	100
	Exam II	100
	Exam III	100
	total points	400

Late Policy: The only assignments that will be accepted late are the term paper proposal and the term paper. 10 points are subtracted for each week or part thereof either assignment is late. You may turn in either of these assignments at any class prior to the due date. Assignments are only accepted in class. Do not leave assignments in the mail box, under my door or on my desk.

Grade Scale:		
	360 - 400	A
	320 - 359	B
	280 - 319	C
	240 - 279	D
	Below - 239	U

Course Description:

A semester of accounting for M.B.A. students interested in learning how managerial accounting is used in business organizations. The perspective of the course is that obtaining a "defensive" knowledge of managerial accounting is important to those who hope to climb the corporate ladder. The output of the managerial accounting system pervade most organizations. Budgets, price schedules, performance reports, bonuses, decisions to out-source, move, expand, contract, sellout, etc. are often greatly swayed by managerial accounting analyses. By gaining an understanding of how these reports are prepared it is hoped that "better" decision making will result. This class will required 4 to 6 hours of your time per week in addition to class time, please carefully evaluate your other commitments to determine whether you will be able to devote the time that is necessary to successfully complete this class.

Topics Include:

1. Cost accounting for production and decision making.
2. Information accumulation and analysis for short run decision making.
3. Nonmanufacturing and Service Industry performance Measures.
4. Analysis of costs/benefits for performance evaluation, pricing, inventory management.
5. Quality and Time Control Issues.
6. Information accumulation and analysis for long run decision making
7. A variety of other topics relevant to the understanding of cost accumulation, allocation and analysis.

Homework: For each class session read the assigned chapter(s). You should allow 3-4 hours for each classes reading assignment. Be sure to work through the example problems in the chapters. It is often necessary to read the chapters several times. For the date indicated prepare the assigned problems. Homework assignments must adhere to the following standards in order to receive individual in-office assistance from the instructor. The purpose of these requirements is to assure that both student and instructor time is efficiently used. You may obtain solutions to problems from the instructor.

1. Start each assignment on a separate sheet of paper
2. Clearly PRINT your first and last name in the upper right hand corner of each page.
3. Clearly identify each homework assignment chapter, problem number and date in the upper right hand corner of each page.
4. For any assignment requiring more than one page number the pages.
5. Clearly show and label all supporting schedules
6. Use only the front of each page.

Class Sessions:

Class sessions will follow a lecture, discussion, and presentation format. We will review chapter materials, analyze homework problems, work through additional problems and discuss contemporary issues that pertain to administrative control topics. Video tape presentations will be used to illustrate extant managerial accounting practices. Please bring your texts, calculator, notes, paper, pencils and eraser to each session.

Test Form:

All In class tests are closed book, closed note events. Make up exams will not be given. If you find that you must miss an exam the instructor must be notified in advance. Students are honor bound to complete at home exams without assistance from any person. Cheating is grounds for dismissal from the university.

- Objectives:**
1. Demonstrate familiarity with management accounting terms, concepts, models and methods.
 2. Demonstrate ability to apply management accounting methods to achieve appropriate solutions for common management accounting problems.
 3. Show how to determine the economic, reporting, and behavioral consequences of accounting based analyses.
 4. Explain the nature of the differences in short run and long run prospectives in the use of management accounting methods.
 5. Demonstrate familiarity with quantitative techniques of analysis that are used to evaluate alternative courses of action.

Accounting for Administrative Control
Spring 1994

Class Activity Schedule

<u>Topic</u>	<u>Chapter</u>	<u>Date</u>
The Accountants Role in the Organization	1	May 16
Introduction to Cost Terms and Purposes	2	
Cost-Volume-Profit Relationships	3	May 18
Costing Systems in Service and Merchandising Sectors	4	May 23
Master Budgeting and Responsibility Accounting *Project Proposal Due Today *	6	May 25
In Class Exam I Chapters 1,2,3,4 (1 1/2 hours)		June 1
Determining How Costs Behave	10	June 1
Relevance, Costs, and the Decision Process	11	June 6
Pricing Decisions, Product Profitability and Cost Information	12	June 8
Capital Budgeting and Cost Analysis	20	June 13
Capital Budgeting a Closer Look	21	June 15
Exam II Take Home Exam Chapters 6,10,11,12 Due 7:30 pm		June 20th
Cost Management: Quality and Time	23	June 20
Inventory Management Student Presentations	24	June 22
Student Presentation and Inventory Management Project Due today June 27 7:30 pm		June 27
Exam III Chapters 20,21,23,24 In class 2 hours		June 29

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Accounting for Administrative Control
Assignment Due Date Schedule

<u>Date</u>	<u>Read</u>	<u>Do Text Homework</u>
May 16	Chp 1,2	
May 18	Chp 3	Chp 1: 12,18,26 Chp 2: 24,25,29,32
May 23	Chp 4	Chp 3: 16,26,27,32,35,47
May 25	Chp 6	Chp 4: 17,23,30,33
May 25	* Written proposal is due today *	
June 1	In Class Exam Chapters 1,2,3,4 (1 1/2 hrs)	
June 1	Chp 10	Chp 6: 17,18,19,27,35
June 6	Chp 11	Chp 10: 22,26,27,34
June 8	Chp 12	Chp 11: 17,19,21,37,38
June 13	Chp 20	Chp 12: 17,19,23,27
June 15	Chp 21	Chp 20: 16,21,22,32
June 15	Takehome Exam (Chapters 6,10,11,12 Due 7:30pm June 20)	
June 20	Chp 23	Chp 21: 17,20,23
June 22	Chp 24	Chp 23: 16,21,30,34
June 27	Project is Due 7:30 pm	
June 27		Chp 24: 16,20,24,27
June 29	Exam III In Class chapters 20,21,23,24	

Proposal is due May 25

The Class Project is Due June 27

Your report must be your own original work written specifically and exclusively for this class. You may do the project on an individual or group basis. Group proposals must be submitted on a group basis. Groups may be no larger than 4 members. Groups are self-directed and self-monitoring entities.

Your written project proposal is due May 25. The proposal must be typed and should be in the following format:

1. Your Name
2. Title of your report
3. The scope of the report
4. All materials/resources to be used (persons for interviews, bibliography, companies for study, etc)
5. Explanation of how the study clearly relates to a specific topic(s) in this course.

Class reports that do not conform to the proposal will not be accepted.

The report must be double-spaced and type-written. In general the length of the reports should be in the 8-10 page range. Papers must reflect a professional standard and be free of spelling and grammatical errors. Your grade will be reduced if spelling and grammatical errors are found. A class presentation of no more than 5 minutes is required.

The objective of the class project is to present a significant report on one or more topics covered in this class. There are several approaches that may be taken. Below are a few suggestions. Please see me as soon as possible if you want to propose a different type of project.

Ideas:

1. Identify a firm or Not-For-Profit Organization that will allow you to do a management accounting study. The study should clearly relate to a topic in the course. The study should include an in-depth analysis of some aspect of the firms' management system at the current time. The study should include a complete description of the current system under study, an analysis of strengths and weaknesses, and your proposed changes or additions to the system.
2. Complete a series of interviews with management accounting professionals. Arrange to interview 3 or 4 cost accounting managers, assistant controllers, budget directors or similar individuals. Prepare a list of questions that pertain to one or two topics covered in the class. Write up the questions, responses and your analysis of the interviews. Your analysis of the interviews must comprise at least 50% of the report.
3. Locate 8-10 current articles, (published after 1988) concerning a class topic, in practical or academic journals. The Business Periodicals Index and The Accountants Index are good places to start searching. Very briefly summarize the major points of each article. Critically evaluate the major arguments raised by the articles. Point out benefits and limitations of each. Indicate what the significance is of the articles taken as a whole. Your critical analysis must comprise at least 60% of the report.