

**Commerce 4AK3  
Accounting Information for Decision Making  
Winter 2020  
Course Outline**

**Accounting and Financial Management Services Area  
DeGroote School of Business  
McMaster University**

**COURSE OBJECTIVE**

The objective of this course is to introduce the use of accounting information in decision making to individuals. This objective will be accomplished by teaching students the principles of financial and managerial accounting for the purpose of enhancing their financial literacy. This course focuses on accounting information for internal and external users of an organization. Students who complete this course will be expected to identify the sources of relevant accounting information and use this information in decision-making.

**INSTRUCTOR AND CONTACT INFORMATION**

Section: C01  
 Instructor: Dr. Y. Lilian Chan  
 Email: ylchan@mcmaster.ca  
 Office: DSB 418 / RJC 225  
 Office Hours: W 9:30 – 11:00 / Th 12:00 – 13:30  
 or by appointment  
 Tel.: (905) 525-9140 ext. 24253 / ext. 23974  
 Class Location: BSB B156

**COURSE ELEMENTS**

Credit Value: 3	Leadership: Yes	IT skills: Yes	Global view: Yes
Avenue: Yes	Ethics: Yes	Numeracy: Yes	Written skills: Yes
Participation: Yes	Innovation: No	Group work: Yes	Oral skills: Yes
Evidence-based: Yes	Experiential: Yes	Final exam: Yes	Guest speaker: No

**COURSE DESCRIPTION**

This course covers the basic principles in financial and managerial accounting as well as the use of accounting information in decision making. For financial accounting, the course covers the conceptual framework of accounting, Generally Accepted Accounting Principles/International Financial Accounting Standards, financial statements, and financial statement analysis. For managerial accounting, the course covers cost behaviour, cost assignment, cost-volume-profit relationships, relevant costing in decision making, budgeting and variance analysis in management control.

**LEARNING OUTCOMES**

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

- Demonstrate the use of financial statements to interpret the financial performance and position of a firm.
- Compute financial ratios to analyze the profitability, activity, solvency, and liquidity of a firm using vertical and horizontal analysis, including comparison to industry benchmark.
- Assign cost to cost objects, such as the manufacturing cost of a product or cost of a job order, using traditional volume-based costing and activity-based costing.
- Identify behaviour of cost objects and use relevant costs/revenues in non-routine decision making in a short-term and long-term dimension.
- Demonstrate application of cost-volume-profit analysis in determining production goals to achieve break even or target profits.
- Assess the financial implementation of short and long-term business plans of an organizational unit or project.
- Prepare budgets and evaluate performance of a firm/business unit using variance analysis.

**REQUIRED COURSE MATERIALS AND READINGS**

COMMERCE 4AK3 FINANCIAL SYSTEMS/ACCOUNTING INFO FOR DECISION MAKING + MYLABE ACCTG NEWDESIGN ETEXT ACCESS, 9780135407202

PKG: COMMERCE 4AK3 FINANCIAL SYSTEMS/ACCOUNTING INFO FOR DECISION MAKING + MYLABE ACCTG NEWDESIGN ETEXT ACCESS, 9780135407110

Custom Courseware: Colorado & Utah Canyons Tour Company (Case)

**EVALUATION**

Learning in this course results primarily from readings, in-class discussion, assignment, and case studies. Students will be evaluated on an individual basis for their participation in in-class discussion and group work is required for the Business Analytics Project where group members will share the same grade. If a group member feels that the other group member does not deserve 100% of the mark assigned, it is his/her responsibility to inform the instructor and the member involved, in writing, specifying the reasons and the percentage of the mark that should be assigned. Your final grade will be calculated as follows:

Components and Weights

	Option #1	Option #2
Class Participation/Activities	5%	5%
In-class Quizzes	5%	5%
Online Assignments (best four of five assignments @ 2.5% each)	10%	
Online Tests/Quizzes – Multiple Choice questions (@ 10% each)	20%	
Business Analytics Project using Power BI (see folder on Avenue)	15%	30%
Final Exam (Comprehensive)	<u>45%</u>	<u>60%</u>
Total	<u>100%</u>	<u>100%</u>

The instructor reserves the right to adjust the student's final grade by one grade point based on his/her overall performance for the course.

### ***Conversion***

At the end of the course your overall percentage grade will be converted to your letter grade in accordance with the following conversion scheme.

LETTER GRADE	PERCENT	LETTER GRADE	PERCENT
A+	90 - 100	C+	67 - 69
A	85 - 89	C	63 - 66
A-	80 - 84	C-	60 - 62
B+	77 - 79	D+	57 - 59
B	73 - 76	D	53 - 56
B-	70 - 72	D-	50 - 52
		F	00 - 49

### ***Communication and Feedback***

Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student. Emails regarding course issues should NOT be sent to the Area Administrative Assistants. Instructors are required to provide evaluation feedback for at least 10% of the final grade to students prior to Week #9 in the term. Instructors may solicit feedback via an informal course review with students by Week #4 to allow time for modifications in curriculum delivery.

### ***Class Participation/Activities***

Class participation is an essential part of the course. Students are expected to study the assigned materials in advance and be prepared to discuss them during class. Marks assigned for class participation will be based mostly on discussions and activities related to in-class cases and problems.

Students who actively participate and contribute to class discussion and activities related to in-class cases and problems will receive a mark of **ONE**; otherwise a mark of **ZERO**. There are no marks assigned for class attendance.

### ***In-class Quizzes***

Students are required to study the assigned materials in advance and review the PowerPoint presentations with narratives before each class. In-class quizzes, which include short-answer questions, multiple-choice questions, and problems, based on the materials and pre-class PowerPoint presentations with narratives, will be given in class when appropriate.

### ***Online Assignments***

Students are required to submit four assignments: Assignments 1 to 5 are due at 8:30 a.m. on January 27, 2020, February 10, 2020, March 2, 2020, March 23, 2020 and April 6, 2020 respectively. Students should begin working on each assignment as we cover the relevant topics in class. Each assignment includes problems from at least two chapters. These assignments are available on **MyLab Accounting**, and students must complete and submit the assignments online through **MyLab Accounting**. Please check Student Registration Instructions posted on the course website on Avenue for registration on **MyLab Accounting**. Late submission will not be accepted for marking, i.e., a grade of **ZERO** will be assigned accordingly.

Students must also sign and complete a **PLEDGE FORM** stating that he/she has completed all questions of the assignment without any kind of assistance or consultation from any individuals. The PLEDGE FORM must be submitted to the **Dropbox** on the course website on Avenue after completing each assignment; otherwise, a mark of **ZERO** will be assigned accordingly. Students can download the PLEDGE FORM from the course website on Avenue.

### ***Online Tests/Quizzes***

These Online Tests/Quizzes are set up on **MyLab Accounting**. Students must complete and submit the quizzes online through **MyLab Accounting**. Please check Student Registration Instructions posted on the course website on Avenue for registration on **MyLab Accounting**. Late submission will not be accepted for marking. There will be two online tests/quizzes.

The objective of these online tests/quizzes is to ensure that students have completed the assigned readings assignments, and self-study problems. Students will be given **one attempt of a 90-minute session within an 8-hour window** to complete each of these online tests/quizzes. The Policy of Missed Midterm Examinations / Tests will govern absence from tests/quizzes assigned.

Tentative dates for completing these Online Quizzes are:

Test/Quiz #1 – February 15, 2020 (9:00 a.m. – 5:00 p.m.); time allotted: 90 minutes

Test/Quiz #2 – March 28, 2020 (9:00 a.m. – 5:00 p.m.); time allotted: 90 minutes

It is the student's responsibility to check for any changes on the tentative dates for completing the Online Tests/Quizzes on the course website on Avenue. The instructor will not provide any make-up Online Tests/Quizzes if the student misses the deadline for completing the Online Quizzes. Students who require special accommodation regarding the dates and allotted time for the two online tests/quizzes, please contact the instructor at least two weeks prior to the scheduled dates of the online tests/quizzes.

Students must also sign and complete a **PLEDGE FORM** stating that he/she has answered all questions of the quiz without any kind of assistance or consultation from any individuals. The PLEDGE FORM must be submitted to the **Dropbox** on the course website on Avenue after completing each quiz; otherwise, a mark of **ZERO** will be assigned accordingly. Students can download the PLEDGE FORM from the course website on Avenue.

### ***Final Exam***

There will be one comprehensive final examination. The rules customarily followed by the DeGroot School of Business will govern absence from the examinations.

NOTE: The use of a McMaster standard calculator (Casio FX-991) is allowed during examinations in this course. See McMaster calculator policy at the following URL:

<http://www.mcmaster.ca/senate/academic/calculat.htm>

## **ACADEMIC INTEGRITY**

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity.

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university.

It is the student's responsibility to understand what constitutes academic dishonesty. Please refer to the University Senate *Academic Integrity Policy* at the following URL:

[www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity)

This policy describes the responsibilities, procedures, and guidelines for students and faculty should a case of academic dishonesty arise. Academic dishonesty is defined as to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. Please refer to the policy for a list of examples. The policy also provides faculty with procedures to follow in cases of academic dishonesty as well as general guidelines for penalties. For further information related to the policy, please refer to the Office of Academic Integrity at:

[www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity).

The following illustrates only three forms of academic dishonesty:

1. Plagiarism, e.g. the submission of work that is not one's own or for which other credit has been obtained.
2. Improper collaboration in group work.
3. Copying or using unauthorized aids in tests and examinations.

#### **AUTHENTICITY/PLAGIARISM DETECTION**

In this course we will be using a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. Students will be expected to submit their work electronically either directly to Turnitin.com or via Avenue to Learn (A2L) plagiarism detection (a service supported by Turnitin.com) so can be checked for academic dishonesty. Students who do not wish to submit their work through A2L and/or Turnitin.com must still submit an electronic and/or hardcopy to the instructor. No penalty will be assigned to a student who does not submit work to Turnitin.com or A2L. All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, other software, etc.). To see the Turnitin.com Policy, please go to:

[www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity).

#### **ONLINE COURSE COMPONENTS**

In this course we will be using Avenue to Learn (A2L), A2L plagiarism detection, and MyLab Accounting. Students should be aware that when they access the electronic components of this course, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in this course will be deemed consent to this disclosure.

If you have any questions or concerns about such disclosure, please discuss this with the course instructor.

#### **COPYRIGHT**

McMaster University has signed a license with the Canadian Copyright Licensing Agency (Access Copyright) which allows professors, students, and staff to make copies allowed under *fair dealing*. Fair dealing with a work does not require the permission of the copyright owner or the payment of royalties as long as the purpose for the material is private study, and that the total amount copied equals **NO MORE THAN 10 percent** of a work or an entire chapter which is less than 20 percent of a work. In other words,

it is illegal to: i) copy an entire book, or ii) repeatedly copy smaller sections of a publication that cumulatively cover over 10 percent of the total work's content. Please refer to the following copyright guide for further information:

<http://library.mcmaster.ca/about/copying.pdf>.

#### **REQUESTING RELIEF FOR MISSED ACADEMIC WORK**

Students may request relief from a regularly scheduled midterm, test, assignment or other course components. Please refer to the policy and procedure on the DeGroot website at the link below;

<http://ug.degroot.mcmaster.ca/forms-and-resources/misled-course-work-policy/>.

#### **STUDENT ACCESSIBILITY SERVICES**

Students who require academic accommodation must contact Student Accessibility Services (SAS) to make arrangements with a Program Coordinator. Academic accommodations must be arranged for each term of study. Student Accessibility Services can be contacted by phone 905525-9140 ext. 28652 or e-mail [sas@mcmaster.ca](mailto:sas@mcmaster.ca).

For further information, consult McMaster University's Policy for Academic Accommodation of Students with Disabilities:

<http://www.mcmaster.ca/policy/Students-AcademicStudies/AcademicAccommodation-StudentsWithDisabilities.pdf>

#### **ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)**

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the RISO policy. Students requiring a RISO accommodation should submit their request, including the dates/times needing to be accommodated and the courses which will be impacted, to their Faculty Office normally within 10 days of the beginning of term or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

<https://multifaith.mcmaster.ca/riso>

#### **POTENTIAL MODIFICATIONS TO THE COURSE**

The instructor reserves the right to modify elements of the course during the term. There may be changes to the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check their McMaster email and course websites weekly during the term and to note any changes.

#### **RESEARCH USING HUMAN SUBJECTS**

All researchers conducting research that involves human participants, their records or their biological material are required to receive approval from one of McMaster's Research Ethics Boards before (a) they can recruit participants and (b) collect or access their data. Failure to comply with relevant policies is a

research misconduct matter. Contact these boards for further information about your requirements and the application process.

McMaster Research Ethics Board (General board): <https://reo.mcmaster.ca/>

Hamilton Integrated Research Ethics Board (Medical board): <http://www.hireb.ca/>

<b>ACKNOWLEDGEMENT OF COURSE POLICIES</b>
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Your enrolment in Commerce 4AK3 will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. **It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.**

Lack of awareness of the course policies **cannot be invoked** at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

<b>COURSE SCHEDULE</b>
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**Commerce 4AK3: Accounting Information for Decision Making  
Course Outline**

<b>Lecture</b>	<b>Week</b>	<b>Topic</b>	<b>Reading</b>	<b>Problems</b>
1	January 6	The Financial Statements	Ch. 1	P1-31A, P1-33A, P1-34A
2	January 13	The Accounting Cycle	Chs. 2 and 3	P2-33A, P2-35A, P3-44A, P3-45A, P3-48A
3	January 20	The Accounting Cycle (con't.) The Statement of Cash Flows	Ch. 4	P4-25A, P4-13A
4	January 27	Financial Statement Analysis	Ch. 5	P5-28A, P5-30A
<b>Assignment 1 due 8:30 a.m., January 27, 2020 (Chs. 1, 2, and 3)</b>				
5	February 3	Cost Terminology and Behaviour	Ch. 6 (optional) Chs. 7 and 8	P7-18, P7-33, P7- 34, P7-40, P8-27
6	February 10	Manufacturing Cost Accounting Actual, Normal & Budgeted Costing	Chs. 9 (omit Appendix 9A, Appendix 9B)	P9-31, P9-32,
<b>Assignment 2 due 8:30 a.m., February 10, 2020 (Chs. 4 and 5)</b>				
<b>Quiz #1: February 15, 2020 (Chs. 1, 2, 3, 4, and 5)</b>				
<b>Reading Week: February 17, 2020 to February 21, 2020</b>				
7	February 24	Activity-Based Costing	Ch. 10	P10-31, P10-32, P10-41
8	March 2	Absorption Costing and Variable Costing	Ch. 11	P11-24, P11-36
<b>Assignment 3 due 8:30 a.m., March 2, 2020 (Chs. 7, 8, 9, and 10)</b>				
9	March 9	Cost-Volume-Profit Analysis	Ch. 12	P12-34, P12-37, P12-39, P12-47, P12-48
10	March 16	Relevant Costing	Ch. 13 (omit Appendix 13A, Appendix 13B)	P13-21, P13-24, P13-25, P13-35, P13-37, P13-38
<b>Business Analytics Project using Power BI due 8:30 a.m., March 16, 2020</b>				
11	March 23	Master Budget and Responsibility Accounting	Ch. 15 (omit Appendix 15A)	P15-26, P15-39, P15-40
<b>Assignment 4 due 8:30 a.m., March 23, 2020 (Chs. 11, 12 and 13)</b>				
<b>Quiz #2: March 28, 2020 (Chs. 7, 8, 9, 10, 11, and 12)</b>				
12	March 30	Flexible Budgets, Variance analysis and Management Control	Chs. 16 and 17 (omit Appendix 13B)	P16-37, P16-39
13	April 6	Flexible Budgets, Variance analysis and Management Control (con't.)	Chs. 16 and 17 (omit Appendix 13B)	P17-28, P17-38, P17-40
<b>Assignment 5 due 8:30 a.m., April 6, 2020 (Chs. 15, 16 and 17)</b>				

*Tentative course outline is subject to change.*