



Accounting and Financial Management Services

Commerce 2AB3 – Managerial Accounting I Course Outline - Winter 2021

Prerequisite: Commerce 1AA3 – Introduction to **Financial Accounting**

Instructor: Mohamed Shehata

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Live Lectures: LEC C01 (Mondays, 7:00pm – 10:00pm)
LEC C02 (Tuesdays, 7:00pm – 10:00pm)
LEC C03 (Wednesdays, 7:00pm – 10:00pm)
LEC C04 (Thursdays, 7:00pm – 10:00pm)

Virtual Classroom:

This class will be conducted in a virtual-classroom environment using leveraging synchronous and asynchronous technologies and resources. We will be using *ZOOM* as the default delivery platform.

Textbook

Weygandt, Kimmel, Kieso, and Aly, “Managerial Accounting: Tools for Business Decision-Making”, 5th Canadian Edition, 2018, Wiley.

Two options are available in the bookstore:

Option 1: Loose leaf + WileyPLUS (includes online E-Text); ISBN 9781119553328, \$99.95

Option 2: E-Text + WileyPLUS; ISBN 9781119553335; \$71.95

The bookstore link to the textbook is below:

https://campusstore.mcmaster.ca/cgi-mcm/ws/txsub.pl?wsTERMG1=211&wsDEPTG1=COMMERCE&wsCOURSEG1=2AB3&wsSECTIONG1=DAY%20C05&crit_cnt=1

Teaching Support Team

Coordinator:	Karim Karim	Email: karimk7@mcmaster.ca
Role:	Karim will handle all the administrative and logistics of the course, such as managing tests, exams, tutorials, students' grades, MSAF's for missed components, SAS accommodations and text publisher coordination.	
Co-Host TA:	Jade Ta	Email: tan2@mcmaster.ca
Co-Host TA:	Nissa Poonawalla	Email: poonwaln@mcmaster.ca
Role:	During the live lectures, Co-Host TA will manage the Zoom chat window and launch participation questions on Top Hat.	
Teaching Assistants:	Each student will be assigned a TA. Go to Avenue/Assessment/Grades to view your assigned TA. You may email your questions to your assigned TA at any time. The TA will either respond via email and/or set up a virtual one-on-one meeting to provide the required support.	

COURSE DESCRIPTION:

This course examines managerial decision-making as it relates to both the *internal* organization of a firm's activities and the firm's relationship with its external environment. The focus will be on how the managers can use accounting data and related information in decision-making, planning and control. However, a good portion of class discussions will focus on the economic basis for managerial accounting techniques and limitations involved in their use.

This course is concerned with the analysis of and accounting for costs, inventory valuation, managerial planning, and control. The nature and behaviour of costs as well as the usefulness and limitations of accounting data for these purposes will be studied. Managerial accounting, while providing some data for financial statements prepared for external users, has as its primary purpose the development and presentation of information useful to management both for planning and for the control of costs.

This course in managerial accounting will include basic materials on terminology and ideas, activity-based costing, product costing systems, allocation of joint and common costs, direct costing versus absorption costing, cost-volume-profits relationships, relevant costing, pricing, budgeting, standard costing, and variance analysis. Responsibility accounting and performance management will also be introduced.

This orientation will help **all** students (whether or not you are aiming for an *accounting* (a.k.a *finance* on the street) career), understand **what** accounting can do for decision makers, and via that **why** accounting exists, **why** and **how** it works the way it does, and **why** and **when** there are controversies over managerial accounting techniques.

COURSE OBJECTIVE

The objective of this course is to develop the students' analytical abilities to deal with problems relating to managerial decision making within the firm. There are five overall goals for the course, each of which is covered in the following sequence and will be detailed in the course content:

Topic	Chapter	HW Due Date*	Exams Breakdown**	
I. Overview of Managerial Accounting	1	HW 1 Feb. 1st	5%	
II. Foundation of Managerial Accounting:	2		25%	
<ul style="list-style-type: none"> The Basics of Cost Concepts Inventory Valuation Methods (Absorption vs Variable) 	8			10%
III. Using Accounting Information in Decision Making:	6	HW 2 Feb. 22nd	30%	
<ul style="list-style-type: none"> Cost Volume Profit (CVP) Analysis Incremental Analysis for Decision Making 	7			30%
Midterm Examination			100%	
IV. Designing and Implementing Cost Systems:	3	HW 3 Mar 8th	20%	
<ul style="list-style-type: none"> Job Order Costing System Activity-Based-Costing (ABC) System Process Costing System 	5			20%
	4			20%
V. Budgetary Control & Performance Evaluation:	10, 11 & 12	HW 4 Apr 5th	40%	
Final Examination			100%	

* The system will open for each of the HW assignments at least two weeks before due dates.

** breakdown of the *Midterm & Final Examinations* is approximate and subject to changes.

GRADING:

Grading will be established based on the following components:

Homework Assignments: (four assignments, each is worth 5%)	20% ^(a)
Mid-term Examination: (Saturday February 27 th , 6:00 pm - 8:30 pm)	35% ^(b)
Final Exam	45% ^(b)
Total	100%
Participation Bonus Marks	+5% ^(c)

(a) Homework Assignments:

The homework assignments are hosted by the WileyPLUS platform. WileyPLUS is accessible through Avenue, but you will require a registration code (available for purchase through the bookstore with the options listed above). It is highly recommended to set up your WileyPLUS access well in advance of attempting your first assignment in case of any technical issues.

Homework Assignments will be released at least two weeks prior to the due date which are posted in the table above. Students will have unlimited time to complete and must be submitted by the due date. The Homework Assignments must be completed only by the student individually. Receiving direct answers on the assignment questions from any person or other source constitutes a breach of McMaster Academic Integrity Policy. Homework Assignment problems also offer helpful links that direct students to the appropriate e-text material to help guide the students. Suggested End of Chapter Practice Problems and solutions are also available through WileyPLUS.

If an MSAF is applied to a Homework Assignment, then the 5% weight of that Assignment will be moved to the Final Exam.

(b) Midterm and Final Exams:

- The exams will be in the form of T/F, MC, and Fill-in-the-Blank.
- The final exam is NOT cumulative. It will cover only the new materials since the midterm.
- There will be no makeup for missing the midterm exam. If a student files a successful MSAF through the Faculty office for missing the midterm, the final exam for this student will be comprehensive and the weight of the final exam will be 80%.
- The exams will be closed book and closed notes. However, you can have a one-page, one-side formula sheet (cheat sheet) which must be uploaded to Avenue immediately after the exam
- **Respondus** Online Proctoring Platform will be used for the exams.

(c) Participation Bonus Marks:

- During the live lecture, synchronous participation will be conducted on the Top Hat platform. In the first week of January prior to your first class, you will receive an email with a link to register for your respective Top Hat section. There will be no cost to the student for registering in Top Hat. Further instructions will be posted in Avenue.
- You can earn up to **5% Bonus Marks** from your participation during the live lecture. Your total earned bonus marks during the term will be added to your overall final course grade.

- During each class, you will be asked to answer simple questions on materials covered during the lecture in the form of T/F, MC, or fill-in-the-blank. Each question is worth 1 point of which you will receive half a point for attempting the question and half a point for correctness.
- Bonus participation marks can only be earned for participation in the section in which a student is registered. If a student attends a different section in which the student is not registered, there will be **no participation marks** awarded for that session and the student will not be able to view the Top Hat questions.
- Since this component is a bonus mark only, MSAF's will not be accepted for missed classes and there is no makeup opportunity for missed classes.

Tutorials

This is not a marked component. Students in the past have found these to be useful for their examination performance. Tutorials are an extension of the classroom lectures. The content covered in the lectures is applied through practice problems covered in the tutorials. The tutorials are Asynchronous, hence there are no live tutorials. Tutorial questions will be posted in-advance for students to attempt. Recorded solutions will be posted in Avenue by the teaching assistants. For any follow-up help, students may contact their assigned TA for direct one-on-one assistance. Students will find the tutorials to be very helpful for midterm and final exam preparations.

Grade 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

Academic Dishonesty

You are expected to exhibit honesty and use ethical behavior 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 result or could result in unearned academic credit or advantage. This behavior 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 your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty please refer to the Academic Integrity Policy, located at:

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 quizzes and examinations

Policy for Approved Missed Academic Work

Students who cannot write a test, and have advanced knowledge and permission as described above, will be given the opportunity to write an alternate version of the test at an alternate time.

Students who did not write a test, and subsequently provide an MSAF submission, or documentation for which they have been approved by the Student Experience – Academic Office, will have the weight of the missed work reallocated across other course components or an alternate evaluation. The student must follow up with the instructor to understand this process and decision.

Students who submit an MSAF, or have been approved by the Student Experience – Academic Office, for an assignment deadline, will be given an extension for the assignment at the discretion of the instructor. Please note, the student will ultimately be required to submit the assignment.

Student Accessibility Services

Student Accessibility Services (SAS) offers various support services for students with disabilities. Students are required to inform SAS of accommodation needs for course work at the outset of term. 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 905-525-9140 ext. 28652 or email 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>

Potential Modification to the Course

The instructor and university reserve the right to modify elements of the course during the term. The university may change 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.

Course Schedule

Week #	Week of...	Chapters	Topics
Week 1	January 11 th	Chapter 1 Chapter 2	- Overview of Managerial Accounting - Cost Concepts for Product Costing: (Part I)
Week 2	January 18 th	Chapter 2 Chapter 2	- Cost Concepts for Cost Behavior: (Part II) - Cost Concepts for Cost Estimation: (Part III)
Week 3	January 25 th	Chapter 8 Chapter 6	- Inventory Costing Methods (Absorption vs Variable) - Cost Volume Profit Analysis (Part I)
Week 4	February 1 st	Chapter 6 Chapter 7	- Cost Volume Profit Analysis (Part II) - Incremental Analysis for Decision Making (Part I)
Week 5	February 8 th	Chapter 7 Chapter 3	- Incremental Analysis for Decision Making (Part II) - Job-Order Costing System (Part I)
	February 15 th	Mid-term Recess	
Week 6	February 22 nd	Chapter 3 Chapter 5	- Job-Order Costing System (Part II) - Activity Based Costing (ABC)
Midterm Examination Saturday, February 27th: 6:00 – 8:30 pm (Scope: Chapters 1, 2, 6, 7, and 8)			
Week 7	March 1 st	Chapter 4	- Process Costing System (Part I) - Process Costing System (Part II)
Week 8	March 8 th	Chapters 10, 11, 12	- Budgetary Control & Variance Analysis (Part I)
Week 9	March 22 nd		- Budgetary Control & Variance Analysis (Part II)
Week 10	March 29 th		- Budgetary Control & Variance Analysis (Part III)
Week 11	April 5 th		- Budgetary Control & Variance Analysis (Continued)
Week 12	April 12 th	- Catch-up and Review	
Final Exam (as per Registrar's schedule) (Scope: Chapters 3, 5, 4, 10, 11, and 12)			

End of Chapters Suggested Exercises & Practice Problems*

Chapter	Suggested Exercises & Practice Problems
2	1, 2, 4, 8, 12, 13, 16, 23, 32, 33a, 55.
8	1, 4, 5, 8, 10, 11, 23, 28.
6	1, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 17, 18, 22, 27
7	2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 14, 15, 16, 19, 20
3	18, 19, 20, 21, 26, 29, 34, 46.
5	7, 12, 14, 16, 17, 18, 20.
4	14, 15, 16, 19, 24
12	4, 5, 6, 7, 8, 10, 11, 23, 28, 29, 33, 34, 36, 37, 38, 39, 40.

***Solutions to the suggested problems are available on Avenue.**

Important Course Dates

Homework Assignment #1	Due Monday, February 1 st ; (<u>Scope</u> : Chapters 1, 2 and 8)
Homework Assignment #2	Due Monday, February 22 nd ; (<u>Scope</u> : Chapter 6 and 7)
Midterm Exam	<i>Saturday, February 27th, 2020; 6:00 pm to 8:30 pm</i> (<u>Scope</u> : Chapters 1, 2, 8, 6, and 7)
Homework Assignment #3	Due Monday, March 8 th , (<u>Scope</u> : Chapters 3 and 5)
Homework Assignment #4	Due Monday, April 5 th ; (<u>Scope</u> : Chapters 4, 10, 11, and 12)
Final Exam	<i>As per Registrar's Calendar</i> (<u>Scope</u> : Chapters 3, 5, 4, 10, 11, and 12)