

**Commerce 2AB3  
Managerial Accounting I  
Fall 2023 Course Outline**

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

***COURSE OBJECTIVE***

The objective of this course is to develop the students' analytical abilities to deal with problems relating to financial situations within the firm. This course deals with the role of accounting in an organization's planning and control system which includes costing, cost allocation, variance analysis, responsibility accounting, performance evaluation, and incentive compensation.

There are four overall goals for the course, each of which is covered in the following sequence:

- 1) Foundation of management accounting.
- 2) Using management information in decision making.
- 3) Designing and Implementing Cost Accounting Systems.
- 4) Performance Evaluation.

***INSTRUCTOR AND CONTACT INFORMATION***

<b>Dr. Ala Mokhtar (C01, C02, and C03)</b>	<b>A.S. Merali</b>
<b>Class locations appear on the next page.</b>	
<a href="mailto:mokhta7@mcmaster.ca">mokhta7@mcmaster.ca</a>	<a href="mailto:merali@mcmaster.ca">merali@mcmaster.ca</a>
Office: DSB 418	Office: DSB 318
Office Hours: Mon 3:40 – 4:40pm and Wed 11am – 12pm	Office Hours: Mon 1:30-2:30pm and Tue 2:30-3:30pm
Tel: (905) 525-9140 x24177	Tel: (905) 525-9140 x23897

**Instructional Assistant**

Mr. Karim Karim      [karimk7@mcmaster.ca](mailto:karimk7@mcmaster.ca)

**Teaching Assistant**

Students will be assigned a TA for support, to be posted in Avenue

**Course Website**

<http://avenue.mcmaster.ca>

**MS Office Suite**

<https://portal.office.com/> or <https://office365.mcmaster.ca/>

All McMaster students have free access to Office 365 on up to 5 devices. Login with your MacID and password to get access to Office 365.

***COURSE ELEMENTS***

Credit Value: 3	Leadership: Yes	IT skills: Yes	Global view: Yes
A2L: Yes	Ethics: Yes	Numeracy: Yes	Written skills: Yes
Participation: Yes	Innovation: Yes	Group work: No	Oral skills: No
Evidence-based: Yes	Experiential: No	Final Exam: Yes	Guest speaker(s): No

***COURSE INFORMATION***

Lectures: 3 hours a week  
Tutorials: Tutorial weeks to be posted on Avenue  
Course Delivery Mode: In-person

***COURSE DESCRIPTION***

This course provides an introduction to the fundamental concepts of managerial accounting. The focus of the course will be on the accounting function internal to organizations. Managerial accounting is concerned with the analysis of and accounting for costs, managerial planning, decision making and control. The nature and behaviour of costs and the usefulness and limitations of accounting data for these purposes are studied. Managerial accounting, while providing some data for financial statements prepared for external users, has as its primary purpose in the development and presentation of information useful to internal management for decision making, planning and control.

***COURSE LEARNING OUTCOMES***

The objective of this course is to develop the students' analytical abilities to deal with problems relating to financial situations within the firm. This course deals with the role of accounting in an organization's planning and control system which includes terminology and ideas on cost behaviour, cost-volume-profit relationships, simple non-routine decision making, income effect of variable costing versus absorption costing, job-order costing, process costing, activity-based costing, budgeting, and variance analysis.

There are four overall goals for the course, each of which is covered in the following sequence:

1. Foundation of management accounting.
2. Using management information in decision making.
3. Designing and Implementing *Cost Accounting* Systems.
4. Performance Evaluation.

In this course, you will develop problem-solving skills, whereby you will be able to apply your understanding of managerial accounting concepts to solve business problems in the real world. This course will help all students (whether or not you are aiming for an accounting career) understand what accounting can do for decision makers, and its use for planning and control functions.

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## ***COURSE MATERIALS AND READINGS***

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### **Course Website**

<http://avenue.mcmaster.ca> FREE

<https://app.tophat.com/login> FREE

Required: Pearson MyAccountingLab

[Datar, S.M., M.V. Rajan, and L. Beaubien. \*Horngren's Cost Accounting: A Managerial Emphasis\*, Ninth Canadian Edition. Pearson Canada Inc.](#)

**Option 1: Loose Leaf Version with MyAccountingLab and e-book access code. \$95.00**

**Option 2: MyAccountingLab and e-book access code only. (scroll down on site) \$74.95**

**Note - MyAccountingLab is mandatory to complete the online assignments**

### **Top Hat**

<https://app.tophat.com/login>

Create an account on Top Hat using your McMaster email address and enter your 9-digit student number in place of Student ID. The class join code is **678501 for sections C01 to C03 with Dr. Ala Mokhtar's** and **684652 for section C04 with A.S. Merali's**. Students registered with Dr. Mokhtar may **not** register on A.S. Merali's Top Hat and vice versa. Your first and last name on Top Hat should match exactly as shown in Avenue. There is no cost to use this platform.

### **Microsoft Teams**

Download MS Teams. Login with your McMaster email address and password. You will be added to the relevant team by the instructor.

### CLASS FORMAT

This is an in-person 3-hour course with in-person 1-hour tutorials.

### COURSE OVERVIEW AND ASSESSMENT

Your final grade will be calculated as follows:

EVALUATION	WEIGHT	DESCRIPTION
Online Assignments	10%	Best five of six assignments at 2% each. <b>It is a breach of academic integrity to do the assignments with a tutor or tutoring service or other students. The assignment must be done individually by the student.</b>
Class Participation Via Top Hat	15%	Half the marks are for participation and the other half for getting the questions correct on Top Hat during classes. <b>It is a breach of academic integrity to do the Top Hat from outside the classroom or to receive answers from another section. You are required to be physically present in the classroom to attempt Top Hat.</b>
Tutorials Attendance	maximum 5% bonus added to your final exam mark	The marks are for attendance in your registered tutorial for the entire 50 minutes. Attendance will be recorded on Top Hat for the tutorial. The Top Hat join code for the tutorial will be shared by your tutorial Teaching Assistant. <b>It is a breach of academic integrity to do the Top Hat from outside the classroom. You are required to be physically present in the classroom to register Top Hat attendance. If you miss more than 3 tutorials, you cannot get any bonus mark.</b>
Midterm: Chapters 1, 2, 10, 9, 3, and 11.	35%	Date and time on the last page.
Final Exam: Chapters 4, 5, 18, 19, 6, 7, 8, 17	40%	Scheduled through Registrar. Length: 2.5 hours.

#### NOTES:

- Missed tests/exams will receive a grade of zero unless the student has submitted and been approved for a Notification of Absence or MSAF.
- The use of a McMaster standard calculator is allowed during examinations in this course. See McMaster calculator policy.

**COURSE DELIVERABLES**

**Online Assignments (10%)**

Receiving answers on the assignment questions from any person constitutes a breach of McMaster Academic Integrity Policy. If a student uses an MSAF for one of the assignments, then that assignment will be selected as the dropped one. Hence, there is no benefit to applying for an MSAF on an assignment since the lowest one will be dropped regardless. If an MSAF is applied to more than one assignment, then the weight of the additional assignments will be moved to the final exam. The online assignment dates are as follows:

	Release date at 9pm	Close date at 11:59pm	Chapter(s) covered
Assignment 1	September 20	September 22	Chapters 1 and 2
Assignment 2	October 4	October 6	Chapters 10 and 9
Assignment 3	November 1	November 3	Self-study material (Chapters 13, 15, and 16) and Chapter 4
Assignment 4	November 15	November 17	Chapters 5, 18 and 19
Assignment 5	November 22	November 24	Chapter 6
Assignment 6	December 1	December 6	Chapters 17, 7 and 8

**It is a breach of academic integrity to do the assignments with a tutor or tutoring service or other students. The assignment must be done individually by the student.**

**Class Participation Via Top Hat (15%)**

Participation marks will be assigned during the lectures. Students will be asked questions in person during the lectures and will respond using the Top Hat platform. There is no cost to students for using the Top Hat platform. Marks will be assigned based on both participation and accuracy of responses. Students must be present in person for the entire class time. **All questions must be answered throughout the class to be eligible for credit.** Half the marks will count for participating on the question and the other half for getting the answer to the question correct. Students must be **physically present** for the entire class time to attempt Top Hat. **It is a breach of academic integrity to do the Top Hat from outside the classroom or to receive answers from another section. You are required to be physically present in the classroom to attempt Top Hat.**

<https://app.tophat.com/login>

Create an account on Top Hat using your McMaster email address and enter your 9-digit student number in place of Student ID. The class join code is **678501 for Dr. Ala Mokhtar's sections** and **684652 for A.S. Merali's sections**. Students registered with Dr. Mokhtar may **not** register on A.S. Merali's Top Hat and vice versa. Your first and last name on Top Hat should match exactly as shown in Avenue. There is no cost to use this platform.

***Tutorials Attendance (maximum 5% bonus added to your final exam mark)***

The marks are for attendance in your registered tutorial for the entire 50 minutes. Attendance will be recorded on Top Hat for the tutorial. The Top Hat join code for the tutorial will be shared by your tutorial Teaching Assistant. If you use an MSAF on a tutorial, the tutorial for that week will be excused and the mark for the excused tutorial will be distributed across all other tutorials. **It is a breach of academic integrity to do the Top Hat from outside the classroom. You are required to be physically present for the entire 50 minutes in the tutorial to register Top Hat attendance. If you miss more than 3 tutorials, you cannot get any bonus mark. Please check Avenue for the weeks in which the tutorials will be held.**

***Midterm Exam (35%)***

The in-person midterm exam will be marked individually and will be for 2 ½ hours. The exam will cover material from the textbook, readings, lectures, online material, tutorials, online assignments, Top Hat questions, and class discussion. **Students will be required to bring their laptops to write the midterm exam in person.** The format of the exams may include True/False, Multiple-Choice, Fill in the Blank and/or Written Questions. Sample midterm exam is available on Avenue for practice.

Since the midterm weight is more than 24%, students cannot self-MSAF the midterm and will have to apply for the MSAF from their faculty office if they cannot write the midterm on the scheduled time or if they miss the midterm.

***Students are allowed to bring in a double-sided letter size crib sheet to the midterm exam. The crib sheet must be on letter size 8 ½ x 11-inch paper, and it must be handwritten. It is not allowed to handwrite the crib sheet on a tablet and then print it.***

***Final exam (40%)***

The in-person final exam will be marked individually and will be for 2 ½ hours. The exam will cover material from the textbook, readings, lectures, online material, tutorials, online assignments, Top Hat questions, and class discussion. **Students will be required to bring their laptops to write the final exam in person.** The format of the exam may include True/False, Multiple-Choice, Fill in the Blank and/or Written Questions. Sample final exam is available on Avenue for practice.

If a student obtains a successful MSAF for missing a midterm, the final exam weight will include the weight of the missed midterm exam.

Students who miss the midterm, whether they obtain a successful MSAF from their faculty or not, will write a cumulative final exam that includes the midterm chapters. Those who obtain a successful MSAF will have the midterm weight transferred to the final exam. Those who do not obtain a successful MSAF will get a zero on the midterm weight.

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## ***COMMUNICATION AND FEEDBACK***

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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. All students must receive feedback regarding their progress prior to the final date by which a student may cancel the course without failure by default.

- For Level 1 and Level 2 courses, this feedback must equal a minimum of 20% of the final grade.
- For Level 3 courses and above, this feedback must equal a minimum of 10% of the final grade.

Instructors may solicit feedback via an informal course review with students by Week #4 to allow time for modifications in curriculum delivery.

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

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In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar [“Requests for Relief for Missed Academic Term Work”](#) and the link below;

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

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## ***COURSE MODIFICATION***

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From time to time there may be a need to remove/add topics or to change the schedule or the delivery format. If these are necessary, you will be given as much advance notice as possible.

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## ***GENERATIVE AI***

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### USE PROHIBITED

Students are not permitted to use generative AI in this course. In alignment with [McMaster academic integrity policy](#), it “shall be an offence knowingly to ... submit academic work for assessment that was purchased or acquired from another source”. This includes work created by generative AI tools. Also state in the policy is the following, “Contract Cheating is the act of “outsourcing of student work to third parties” (Lancaster & Clarke, 2016, p. 639) with or without payment.” Using Generative AI tools is a form of contract cheating. Charges of academic dishonesty will be brought forward to the Office of Academic Integrity.

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## ***ACADEMIC INTEGRITY***

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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. **It is your responsibility to understand what constitutes academic dishonesty.**

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. For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](#).

The following illustrates only three forms of academic dishonesty:

- plagiarism, e.g. the submission of work that is not one's own or for which other credit has been obtained.
- improper collaboration in group work.
- copying or using unauthorized aids in tests and examinations.



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

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**Some courses may** use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. Avenue to

Learn, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software. **All submitted work is subject to normal verification that standards of academic integrity have been upheld** (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to [www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity).

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## ***COURSES WITH AN ON-LINE ELEMENT***

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**Some courses may** use on-line elements (e.g. e-mail, Avenue to Learn, LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, 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 a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

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## **ONLINE PROCTORING**

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**Some courses may** use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

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## **CONDUCT EXPECTATIONS**

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As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the “Code”). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students’ access to these platforms.

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## **ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES**

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Students with disabilities who require academic accommodation must contact [Student Accessibility Services](#) (SAS) at 905-525-9140 ext. 28652 or [sas@mcmaster.ca](mailto:sas@mcmaster.ca) to make arrangements with a Program Coordinator. For further information, consult McMaster University’s [Academic Accommodation of Students with Disabilities](#) policy.

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

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Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the [RISO](#) policy. Students should submit their request to their Faculty Office **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation 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.

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### ***COPYRIGHT AND RECORDING***

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Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

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### ***EXTREME CIRCUMSTANCES***

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The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, Avenue to Learn and/or McMaster email.

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### ***ACKNOWLEDGEMENT OF COURSE POLICIES***

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Your enrolment in Commerce 2AB3 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.

**COURSE SCHEDULE**

**Commerce 2AB3  
Managerial Accounting I  
Fall 2023 Course Schedule**

<b>WEEK</b>	<b>DATE</b>	<b>ASSIGNMENT</b>
1	Sep 5 – 8	Discuss: Class Outline, Schedule, Participation, Courseware Lecture: Chapter 1 Accountant's Role in Decision Making Text Chapter 1, Questions 1, 14
2	Sep 11 – 15	Lecture: Chapter 1 Accountant's Role in Decision Making Text Chapter 1, Questions 1, 14 Lecture: Chapter 2 An Introduction to Cost Terms and Purposes Text Chapter 2, Questions 14, 18, 33, 34, 35, 38
3	Sep 18 – 22	Lecture: Practice Chapter 2 Lecture: Chapter 10 Analysis of Cost Behaviour Text Chapter 10, Questions 19, 20, 25, 28 (req 3, 4, 6)
4	Sep 25 – 29	Lecture: Chapter 9 Income Effect of Denominator Level on Inventory Valuation Readings: LO3 Inventory Valuation: Variable and Absorption costing Text Chapter 9, Questions 18, 20, 21
5	Oct 2 – 6	Lecture: Chapter 3 Cost-Volume-Profit Analyses Text Chapter 3, Questions 1, 6, 7, 8, 9, 10, 18, 34, 36, 37, 39, 47, 48
Oct 9 – 15	<b>Midterm Recess</b>	

6	Oct 16 – 20	Lecture: Chapter 11 Decision Making and Relevant Information Text Chapter 11, Questions 16, 17, 19, 20, 21, 24, 25, 26, 28, 29, 33
<b>Saturday Oct 21 @ 9:00am for 2 ½ hours in PGCLL</b>		<b>Midterm Exam (35%) on Chapters 1,2,10,9,3,11</b>
7	Oct 23 – 27	<b>Self-Study:</b> Chapter 13 Pricing Decisions: Profitability and Cost Management Text Chapter 13, Questions 15, 17, 18, 20, 26, 28 Chapter 15: Period Cost Application Chapter 16: Cost Allocation: Joint Products and By-products 2-3 questions for the self-study chapters will be covered in the online MyAccountingLab assignments ONLY, and not on midterm or final exam.  Lecture: Chapter 4 Job Costing Reading: LO 4 Distinguish between actual, budgeted, and normal costing Text Chapter 4, Questions 17, 30, 31, 33, 38, 39
8	Oct 30 – Nov 3	Lecture: Chapter 5 Activity-Based Costing and Management Text Chapter 5, Questions 18, 21, 27, 29, 35, 38  Lecture: Chapter 18 & 19 Process Costing & Spoilage Text Chapter 18, Questions 13, 15, 16, 17, 19, 20, 21, 22, 24, 25, 26, 27, 28, 29, 31, 33 Text Chapter 19, Questions 16, 17, 18, 19, 21, 24, 25, 30, 31, 32, 33
9	Nov 6 – 10	Lecture: Chapter 18 & 19 Process Costing & Spoilage Text Chapter 18, Questions 13, 15, 16, 17, 19, 20, 21, 22, 24, 25, 26, 27, 28, 29, 31, 33 Text Chapter 19, Questions 16, 17, 18, 19, 21, 24, 25, 30, 31, 32, 33
10	Nov 13 – 17	Lecture: Chapter 6 Master Budget and Responsibility Accounting Text Chapter 6, Questions 16, 18, 19, 20, 23, 28, 38

11	Nov 20 – 24	Lecture: Chapter 17 Contribution Margin Variance Analyses Reading: LO3 Calculate and interpret four levels of contribution margin variance analyses Text Chapter 17, Questions 15, 25
12	Nov 27 – Dec 1	Lecture: Chapter 7 & 8 Flexible Budgets, Variances, and Management Control Text Chapter 7, Questions 17, 18, 19, 22, 23, 24, 32 Text Chapter 8, Questions 16, 17, 19 (req 1), 20, 21, 34, 36
13	Dec 4 – 6	Catch up on left over content covered on final exam
<b>Scheduled by the registrar</b>		<b>Final Exam (40%) on Chapters 4, 5, 6, 7, 8, 17, 18, 19</b>  <b>Content covered after the midterm. For those who miss the midterm, they will write a cumulative final exam covering the entire course.</b>