

**Commerce 4AA3
Managerial Accounting II
Fall 2023 Course Outline**

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

INSTRUCTOR AND CONTACT INFORMATION

C01: Fri 8:30 – 11:30, C02 Thu 8:30 – 11:30

Dr. Ebadul Islam

Instructor

islame3@mcmaster.ca

Office: DSB 318

Office Hours: Fri 11:30 – 12:30

Tel: (905) 525-9140 x23897

Teaching Assistant

TA information will be posted on avenue.

Course website: <http://avenue.mcmaster.ca>

Class Information (please check Mosaic for latest classroom location)

COMMERCE 4AA3 – Managerial Accounting II

Class	Section	Days & Times	Room
4643	C01-LEC	Fr 8:30AM - 11:20AM	
7692	C02-7692	Th 8:30AM - 11:20AM	

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.

Microsoft Teams

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

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. Your first and last name on Top Hat should match exactly as shown in Avenue. You will be added to the relevant class by the instructor. There is no cost to use this platform.

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: No	Groupwork: Yes	Oral skills: Yes
Evidence-based: Yes	Experiential: Yes	Final Exam: Yes	Guest speaker(s): No

IMPORTANT LINKS

- [Mosaic](#)
 - [Avenue to Learn](#)
 - [Student Accessibility Services - Accommodations](#)
 - [McMaster University Library](#)
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COURSE LEARNING OUTCOMES

Upon completion of this course, students will be able to complete the following key tasks:

- Understand the application of balanced scorecard as a strategic management and performance management system.
 - Apply the principal of responsibility accounting to planning and control, with a focus on how organizational strategy affects the design of management control system.
 - Apply management accounting concepts to the design of specific components of the management control system, including organizational structure, performance management system, and compensation contracts.
 - Use analytical tools, such as activity-based costing, customer profitability analysis, variance analysis, etc., in assessing the performance of an organization with respect to its strategy.
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COURSE LEARNING GOALS

The objective of this course is to develop the students' analytical abilities to deal with problems relating to financial situations within a variety of organizations. 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. The way in which management accounting information affects the strategic and operational decisions within the organization will also be discussed.

REQUIRED MATERIALS AND TEXTS

[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. \$74.95

CLASS FORMAT

This is an in-person 3-hour course. The three hours will consist of mini-lecture, lengthier discussion, rapid problem solving (Top Hat) and more in-depth applied exercises (not necessarily always in this order). There will be a short break part way through at a convenient time based on what we are working on.

COURSE EVALUATION

GRADE COMPONENT	WEIGHT	DESCRIPTION
Class Participation (I)	15%	Participation through 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 must be physically present in the classroom to attempt Top Hat.
Business Analytics Project (G)	10%	Completed in groups
Case Reports (G)	10%	Completed in groups 2 reports, 5% each
Midterm Exam (I)	25%	Date and time on the last page
Online Quizzes (I)	10%	Best 2 of 3, 5% each. It is a breach of academic integrity to do the quizzes with a tutor or tutoring service or other students. The quizzes must be done individually by the student.
Final Exam (I)	30%	Scheduled through Registrar

I = individual; G = group

CLASS FORMAT

This is an in-person 3-hour course. The three hours will consist of mini-lecture, lengthier discussion, rapid problem solving (Top Hat) and more in-depth applied exercises (not necessarily always in this order). There will be a short break part way through at a convenient time based on what we are working on.

COURSE DELIVERABLES

Class Participation - 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 must be physically present in the classroom to attempt Top Hat.**

Business Analytics Report (using Power BI) - 10%

Students should work on the report in groups. Details on the business analytics report will be posted on Avenue. The deadline for the report is included in the course schedule below.

Case Reports - 2 x 5% each

Students should work on these Case Reports in groups. Each group will be required to hand in two Case Reports.

The case submission must be of professional quality, typed, double-spaced with reasonable fonts (size 11) and margins (1"). The case report should include (i) a brief introduction identifying the relevant organizational/ accounting problems and issues; (ii) a detailed analysis of the issues with recommendations; and (iii) a conclusion. It is expected that the case report will be presented as a logical argument based on sound analysis of the case facts and not on opinion or speculation. Point-form analysis in complete sentences is acceptable. The report must be short, concise and to the point, that is, the report is limited to **four pages** plus at most **two exhibits for calculation**. Excessive length, excessive verbosity, lack of precision or otherwise poor writing skill will affect your grade. If a case were not reasonably attempted, then you will receive a mark of "zero".

Midterm Exam - 25%

The in-person midterm exam will be marked individually and will be for 2 hours. The exams 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. Past midterm exams are 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.

The exam will cover **all material taught prior to the midterm date (up to and including Transfer Pricing).**

If the instructor elects to make the final exam non-cumulative, the final exam will include the chapters covered on the missed midterm for students who MSAF the midterm.

Online Quizzes - best 2 of 3 x 5% each

These Online Quizzes are set up on **Avenue**. Students must complete and submit the quizzes online through Avenue. Late submission will not be accepted for marking. There will be three online quizzes. The objective of these quizzes is to ensure that students have completed the assigned readings and attempted the self-study problems. Students will be given **one attempt** of a **120-minute session** within the assigned **two-day window** to complete each of these quizzes. The Policy of Missed Midterm Examinations/Tests will govern absence from the quizzes assigned.

Tentative dates for completing these Online Quizzes are listed in the course schedule below.

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

Final Exam - 30%

There will be one **comprehensive** final examination. The exam will be 2 ½ hours, worth 30% of your final grade and will be marked individually. The exam will cover material from the textbook, readings, lectures, online material, tutorials, online assignments, Top Hat and class discussion. The format of the exam may include True/False, Multiple-Choice, Fill in the Blank and/or Written Questions.

If a student receives approval for a “faculty approved MSAF” accommodation to miss the midterm (see below “Requesting Relief for Missed Academic Work”), the final exam weight will include the weight of the missed midterm exam.

If the instructor elects to make the final exam non-cumulative, the final exam will include the chapters covered on the missed midterm for students who MSAF the midterm.

NOTE: The use of a McMaster standard calculator (Casio FX-991MS or MS Plus) is allowed during examinations in this course. [See McMaster calculator policy.](#)

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. 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.

REQUESTING RELIEF FOR MISSED ACADEMIC WORK

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/>

GENERATIVE AI

Students may use generative AI in this course in accordance with the guidelines outlined for each assessment, and so long as the use of generative AI is referenced and cited following citation instructions given in the syllabus. Use of generative AI outside assessment guidelines or without citation will constitute academic dishonesty. It is the student's responsibility to be clear on the limitations for use for each assessment and to be clear on the expectations for citation and reference and to do so appropriately.

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. **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.

AUTHENTICITY/PLAGIARISM DETECTION

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.

COURSES WITH AN ON-LINE ELEMENT

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.

ONLINE PROCTORING

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.

CONDUCT EXPECTATIONS

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.

ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES

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

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 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.

COPYRIGHT AND RECORDING

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.

EXTREME CIRCUMSTANCES

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.

ACKNOWLEDGEMENT OF COURSE POLICIES

Your enrolment in Commerce 4AA3 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 4AA3
Managerial Accounting II
Fall 2023 Course Schedule**

Class	Date	Topic	Reading	Problems
1	The week of Sep 04	Introduction, Code of Ethics Strategic Management System Case Writing Intro <i>In Class Case: Foster Fridges</i>		
2	The week of Sep 11	Strategy and Balanced Scorecard <i>In Class Case: Mountain City Transit</i>	pp. 555-567	P14-22, 34, 35, 36
3	The week of Sep 18	Management Control and Decentralization Budgeting, Responsibility Accounting & Responsibility Centres	pp. 886-890 Ch. 6	E6-16, P6-36
Quiz #1 (120 min): Ch. 14 (Window to complete from 9:00 p.m., Sept. 22 to 11:59 p.m., Sept. 24, 2023)				
4	The week of Sep 25	Profit and Investment Centres: Return on Investment & Economic Value Added	pp. 920-941	P23-21, 24, 29, 37, 39
Business Analytics Project using Power BI; Due at 11:59 p.m., October 01, 2023				
5	The week of Oct 02	Transfer Pricing – Expense Centres (Common Cost Allocation)	Ch. 15	P15-26, 28, 34
Case #1: Vienna Industries, Ltd. Due at 11:59 p.m., October 08, 2023				
<u>Reading Week: October 09 – 15</u>				
6	The week of Oct 16	Transfer Pricing – Profit Centres	pp. 890-901	P22-20, 24, 28, 29, 32, 34
Midterm Exam: Saturday October 28, 2023, 10:00 a.m. – 12:00 p.m. in DSB AB102 & 103				
7	The week of Oct 23	Performance Measurement and Incentive System <i>In Class Case: Birch Paper Company</i>	pp. 941-947	P23-26, 34

8	The week of Oct 30	Operating Income Variance Analysis – Review Extended Variance Analysis	Chs. 7 & 8 pp. 682-692 pp. 258-263	P7-33, 35 P8-25, 34, 36 P17-24, 25
		Case #2: AB Thorsten Due at 11:59 p.m., November 05, 2023		
		Quiz: #2 (120 min): Chs. 22 and 23 (Window to complete from 9:00 p.m., Nov. 03 to 11:59 p.m., Nov. 05, 2023)		
9	The week of Nov 06	Strategic Profitability Analysis	pp. 567-572	P14-30, 31
10	The week of Nov 13	Activity-Based Costing and Management Customer Profitability Analysis	Ch. 5 pp. 693-703	P5-29, 30, 38 P17-29, 37
		Quiz #3 (120 min): Chs. 7, 8 and 17 (Window to complete from 9:00 p.m., Nov. 17 to 11:59 p.m., Nov. 19, 2023)		
11	The week of Nov 20	<i>In Class Case: Wilson Electronics (A) and (B)</i> Strategic Cost Management: Quality Theory of Constraints and throughput Accounting:	pp. 371-388 pp. 435-437 pp.342-344	P10-32, 33, 35, 36 P9-26, 27, 40
12	The week of Nov 27	Management Control for Not-for-Profit Organization	17	

Tentative course outline is subject to change