



Course Outline

A POLYTECHNIC INSTITUTION

School of Business

Program: Integrated Management Systems

Option:

FMGT 3221
Cost and Managerial Accounting

Start Date: September, 2003

End Date: December, 2003

Total Hours: 56 **Total Weeks:** 14

Term/Level: 3 **Course Credits:** 4

Hours/Week: 4 **Lecture:** 2 **Lab:** 2

Shop: **Seminar:** **Other:**

Prerequisites

Course No. Course Name

FMGT 3221 is a Prerequisite for:

Course No. Course Name

v Course Description (required)

A Specialist module that introduces students to Management Accounting applications for General Managers in both service and manufacturing firms.

Students will study a variety of analytical techniques that can be applied to financial and operational data to support management decisions.

v Detailed Course Description (optional)

v Evaluation

Final Examination	40%	Comments:
Mid Term Examination	40%	
Assignments	10%	
Quizzes	10%	
TOTAL	100%	

v Course Learning Outcomes/Competencies

Upon successful completion, the student will be able to:

1. Describe the purpose for which the manager needs accounting information.
2. Identify and give examples of cost types and classifications according to differing management needs.
3. Distinguish between process costing and job order costing and identify companies that would use each method.
4. Compute and apply predetermined overhead rates.
5. Use a job order costing system.
6. Use both the weighted average and FIFO methods of process costing.

7. Identify examples of variable and fixed costs and explain the effect of a change in activity on both total and unit costs.
8. Analyse a mixed cost by the high-low method and the least -squares method.
9. Analyze the effects of changes in prices, volumes, and cost structures on organizational profitability and do sensitivity analysis of these relationships.
10. Prepare an income statement using the contribution margin approach.
11. Prepare income statements using both variable and absorption costing and reconcile the two net income figures.
12. Explain the major differences between activity based costing and a traditional costing system
13. Use the simplified approach to compute activity based costs and margins
14. Prepare all the components of a Master Budget (with emphasis on the Cash Budget).
15. Explain how flexible manufacturing systems and just-in-time purchasing and production affect cost accounting systems.
16. Compute variances from standard cost and explain their significance.
17. Prepare performance reports incorporating flexible budgets.
18. Prepare an analysis showing whether a product line or organizational segment should be dropped or retained.
19. Prepare a make or buy analysis.
20. Make appropriate computations to determine the most profitable use of scarce resources.
21. Prepare an analysis showing whether joint products should be sold at the split-off point or processed further.
22. Determine the acceptability of an investment project using the net present value method and the internal rate of return method.
23. Allocate service department costs to other departments using the direct, step and reciprocal methods.

v Verification

I verify that the content of this course outline is current.
Randy Robinson

August 26, 2003

Authoring Instructor

Date

I verify that this course outline has been reviewed.

Program Head/Chief Instructor

Date

I verify that this course outline complies with BCIT policy.

Dean/Associate Dean

Date

Note: Should changes be required to the content of this course outline, students will be given reasonable notice.

v Instructor(s)

Randy Robinson	Office Location: SE 6-377	Office Phone: 604 451-7057
	Office Hrs.: As Posted	E-mail Address: Randy_Robinson@bcit.ca

v Learning Resources

Required:

Managerial Accounting: Fifth Canadian Edition: Garrison, Noreen, Chesley and Carroll, ISBN 0-07-087111-6
Financial Calculator (Sharp EL-733A is preferred.)

Recommended: Access to Excel

v Information for Students

I.D. Required In Exam Halls: Effective December 2000, students will be required to produce photo-identification for admittance to examination halls. Photo I.D. must be placed on the desk while writing the exam, for inspection by invigilators. Students should bring a BCIT OneCard or alternatively two pieces of identification, one of which must be government photo I.D. such as a driver's license. Please see BCIT Policy #5300, Formal Invigilation Procedures.

Attendance: If a student is absent for any cause, other than illness (Dr's note may be required); for more than 10% of the time prescribed for the course, the student may be prohibited from completing the course. Attendance will be taken at the beginning of each session. Students not present at that time will be recorded as absent. Refer to BCIT Policy #5201, Attendance.

Assignments: All assignments are to be completed using computer and submitted for marking on the due date. Hand written assignments will not be accepted. Marks for these assignments are based on attendance and presentation of the assignments on the due date. Late assignments, lab reports or projects will **not** be accepted for marking. Students may miss one assignment without penalty. Marks will be deducted for messy work, poor spelling and/or grammar. Assignments must be done on an individual basis unless otherwise specified by the instructor. Any copied assignments will result in a "0" grade for all papers involved and possible additional penalties to any students involved.

Makeup Tests, Exams or Quizzes: There will be **no** makeup tests, exams or quizzes. If you miss a test, exam or quiz, you will receive zero marks. Exceptions may be made for **documented** medical reasons or extenuating circumstances. In such a case, it is the responsibility of the student to inform the instructor **immediately**.

Ethics: BCIT assumes that all students attending the Institute will follow a high standard of ethics. Incidents of cheating or plagiarism may, therefore, result in a grade of zero for the assignment, quiz, test, exam, or project for all parties involved and/or expulsion from the course.

Illness: A doctor's note is required for any illness causing you to miss assignments, quizzes, tests, projects, or exam. At the discretion of the instructor, you may complete the work missed or have the work prorated. (i.e., an average is given according to your performance throughout the course). If an exam is missed due to medical reasons, supported by medical certificate, at the discretion of the instructor, you may be permitted to write the exam at the time of the next course offering.

Course Outline Changes: The material or schedule specified in this course outline may be changed by the instructor. If changes are required, they will be announced in class. If changes are required, they will be announced in class.

Labs: Attendance is mandatory. Lab exercises are due at the end of the lab period.

Attempts: Students must successfully complete a course within a maximum of three attempts at the course. Students with two attempts in a single course will be allowed to repeat the course only upon special written permission from the Associate Dean. Students who have not successfully completed a course within three attempts will not be eligible to graduate from the appropriate program.

v Assignment Details

Schedule

Week of/ Number	Outcome/Material Covered	Reference/ Reading	Assignment	Due Date Week of
Sept 4	Chapter 1 – Managerial Accounting and the Business Environment Chapter 2 – Cost Terms, Concepts and Classifications	Chapters 1, 2	P2-15, P2-16, P2-27	Sept 9
Sept 11	Chapter 3 – Systems Design: Job Costing Chapter 4 – Systems Design: Process Costing	Chapters 3,4	P3-20, P3-28 P4-17, P4-18	Sept 16
Sept 17	Chapter 5 – Cost Behaviour: Analysis and Use	Chapter 5	P5-20, P5-21	Sept 23
	Quiz – Chapters 1 to 4			
Sept 24	Chapter 6 – Cost-Volume-Profit Relationships Chapter 7 – Variable Costing: A Tool for Management	Chapter 6 Chapter 7	P6-12, P6-15 P7-9, P7-10	Sept 30
Oct 1	Chapter 8 – Activity Based Costing: A Tool to Aid Decision Making	Chapter 8	P8-16, P8-18	Oct 7
Oct 8	Chapter 9 – Profit Planning	Chapter 9	P9-15, P9-23	Oct 21
	Quiz – Chapters 5 to 8			
Oct 15	Mid Term Exam: Chapters 1 to 8			
Oct 22	Chapter 10 – Standard Costs and Balanced Scorecard	Chapter 10	P10-10, P10-15	Oct 28
Oct 29	Chapter 11 – Flexible Budgets and Overhead Analysis	Chapter 11	P11-14, P11-15	Nov 4
Nov 5	Chapter 13 – Relevant Costs for Decision Making	Chapter 13	P13-15, P13-17	Nov 11
	Quiz – Chapters 9 to 11			
Nov 12	Chapter 14 – Capital Budgeting Decisions	Chapter 14	P14-13, P14-20	Nov 18
Nov 19	Chapter 16 – Service Department Costing: An Activity Approach	Chapter 16	P16-10, P16-16	Nov 25
Nov 26	Chapter 16 – Service Department Costing: An Activity Approach (continued)	Chapter 16		
	Quiz – Chapters 13,14 & 16			

Week of/ Number	Outcome/Material Covered	Reference/ Reading	Assignment	Due Date Week of
Dec 3	Review			
Dec 10	Final Exam Chapters 9,10,11,13,14 & 16			