



A POLYTECHNIC INSTITUTION

School of Business

Program: Operations Management

Option:

FMGT 3224
Cost and Managerial Accounting**Start Date:** September, 2002**End Date:** December, 2002**Total Hours:** 56 **Total Weeks:** 14**Term/Level:** 3 **Course Credits:** 4**Hours/Week:** 4 **Lecture:** 2 **Lab:** 2**Shop:** **Seminar:** **Other:****Prerequisites****FMGT 3224 is a Prerequisite for:****Course No. Course Name****Course No. Course Name****■ Course Description (required)**

This course has been designed to give non-accounting majors an appreciation of the uses and limitations of cost and managerial accounting in the decision-making processes of an organization.

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

■ Detailed Course Description (optional)**■ Evaluation**

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

■ Course Learning Outcomes/Competencies

Upon successful completion, the student will be able to:

Describe the purpose for which the manager needs accounting information.

Identify and give examples of cost types and classifications according to differing management needs.

Distinguish between process costing and job order costing and identify companies that would use each method.

Compute and apply predetermined overhead rates.

Use a job order costing system.

Use both the weighted average and FIFO methods of process costing.

Identify examples of variable and fixed costs and explain the effect of a change in activity on both total and unit costs.

Analyse a mixed cost by the high-low method and the least-squares method.

Prepare an income statement using the contribution margin approach.

Compute the breakeven point and use CVP formulae to determine the activity level needed to achieve a desired net profit figure.

Prepare income statements using both variable and absorption costing and reconcile the two net income figures.

Explain the major differences between activity based costing and a traditional costing system

Use the simplified approach to compute activity based costs and margins

Prepare all the components of a Master Budget (with emphasis on the Cash Budget).

Explain how flexible manufacturing systems and just-in-time purchasing and production affect cost accounting systems.

Compute variances from standard cost and explain their significance.

Prepare performance reports incorporating flexible budgets.

Prepare an analysis showing whether a product line or organizational segment should be dropped or retained.

Prepare a make or buy analysis.

Make appropriate computations to determine the most profitable use of scarce resources.

Prepare an analysis showing whether joint products should be sold at the split-off point or processed further.

Determine the acceptability of an investment project using the net present value method and the internal rate of return method.

■ Verification

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



Authoring Instructor



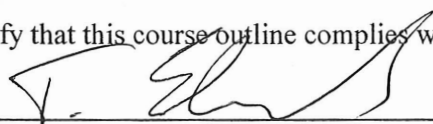
Date

I verify that this course outline has been reviewed.

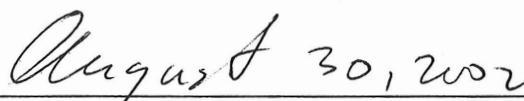
Program Head/Chief Instructor

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.

■ Instructor(s)

Noel Brennan

Office Location: SE 6 – 377

Office Phone:

451- 6793

Office Hrs.: As
posted

E-mail Address: nbrennan@bcit.ca

■ 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

■ Information for Students

Assignments: Late assignments, lab reports or projects will **not** be accepted for marking. Assignments must be done on an individual basis unless otherwise specified by the instructor.

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.

Attendance: The attendance policy as outlined in the current BCIT Calendar will be enforced. Attendance will be taken at the beginning of each session. Students not present at that time will be recorded as absent.

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.

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.

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.

■ Assignment Details

See Attached Schedule

Schedule

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