Managerial Accounting
ACCT 0610
Summer Quarter, 1999

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Course Objectives

Managers are faced with a myriad of decisions (e.g., product development, pricing, and cost control) that require knowledge relevant to the organization and its environment. An accounting information system is an important part of an organization’s information system that provides data on costs of products, costs of inventory, and estimates (budgets) of operations, among other items. The first objective of an internal accounting system is to provide information for decision-making. However, just because a manager makes a decision, there is no guarantee that it will be implemented according to the manager’s wishes. Employees objectives often differ from those of management, and employees, acting in their own self-interest, often make decisions that do not result in maximization of firm value. Therefore, a second objective of an internal accounting system is to aid managers in decision control – the motivation and monitoring of self-interested employees.

The objectives of this course are twofold. First, you should gain a familiarization with the decision-making role of internal accounting information systems. This objective necessitates an understanding of organizational structure, system design, and the incentive effects of accounting information as well as an understanding of the technical skills required in the assimilation of data. Second, you should understand how the internal accounting information system is used for decision control purposes. This objective introduces the role of accounting information in performance evaluation and reward systems. With this understanding of internal accounting information systems, you should develop the skills to become a more intelligent user of these systems and a more effective manager.

Course Materials

Accounting for Decision Making and Control by Jerold L. Zimmerman, 2nd edition

Class Organization, Course Procedures, and Student Preparation

This course will be conducted using a lecture, problem solving, and discussion approach. The attached schedule lists the assignments for each class period. Prior to the class period, you are expected to read and study the assigned chapters, supplementary material, problems, and cases. Given the level of difficulty of the course, it is to your
advantage to attend each class. Class attendance and participation is expected. The class will move at an advanced pace, and it will be assumed that you have read all of the material and attempted to work the assignments before coming to class.

The best way for you to learn and reinforce accounting concepts is by working problems and cases. Some problems will be used as demonstration problems and will be discussed fully in class. Other problems will be covered by simply providing check figures, or by my responding to your questions on any unclear points in their solution. If you have difficulty with any of the topics covered in class once you have thoroughly studied them, feel free to obtain additional help during my office hours. You may also choose to use my e-mail account for your communications with me. In addition, a discussion board on which you may ask, answer or respond to questions or comments relative to the class is provided on the ACCT 0610 web page. This discussion board is intended to facilitate interaction among you and your classmates, and I highly encourage you to take advantage of this resource.

Assignments

Reading and problem assignments are listed on the Schedule of Assignments. I urge you to complete the assigned problems on a timely basis so that (1) you will be able to participate and benefit fully from class discussion, and (2) you will be prepared to ask specific questions concerning the more troublesome aspects of the assignment. In addition to the problem assignments, you will be expected to complete two individual cases and one article critique. Each case will cover concepts discussed in class and is listed on the Schedule of Assignments. Your write up for the case should be presented in a professional manner. The article critique will require you to obtain a recent newspaper/magazine article on a managerial accounting topic of interest to you and relate the concepts covered in class to this topic. Each case and article critique will be due in class on the date specified on the Schedule of Assignments and will not be accepted late. More specifics on the case assignments and the article critique will be given in class. Note: The cases and article critique are individual assignments – no other students may be contacted in the preparation of these assignments.

Course Requirements and Grades

Two major examinations will be given on the dates specified on the Schedule of Assignments. In addition to these examinations, two cases and one article critique will be collected. The distribution of points per assignment and the tentative grading scale are as follows:

<table>
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<th>Distribution of Points</th>
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<tbody>
<tr>
<td>Exam 1</td>
<td>100 points</td>
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<tr>
<td>Exam 2</td>
<td>100</td>
</tr>
<tr>
<td>Cases/Article Critique</td>
<td>50</td>
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<tr>
<td>Total Points</td>
<td>250 points</td>
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Tentative Grading Scale

<table>
<thead>
<tr>
<th>Points Range</th>
<th>Grade</th>
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<tbody>
<tr>
<td>225 - 250</td>
<td>A</td>
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<tr>
<td>200 - 224</td>
<td>B</td>
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<tr>
<td>175 - 199</td>
<td>C</td>
</tr>
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<td>150 - 174</td>
<td>D</td>
</tr>
<tr>
<td>Below 150</td>
<td>F</td>
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The material covered on the examinations will be derived from class lectures, textbook chapters, and any supplementary material provided. Each examination may consist of any combination of objective questions, problems, and essay questions. Note that the purpose of the examinations is to test your ability to apply the concepts learned in class, not merely to test your ability to reproduce homework solutions. Therefore, do not make the assumption that if you memorize rules and definitions discussed in class, you can successfully work the problems on the examinations.

A make-up exam will only be given if a student misses an exam with an acceptable excuse as outlined in the Tiger Cub. In the event that a student must miss an exam, the instructor must be notified in writing in advance. A missed exam without an approved excuse will result in zero for that exam.

Academic Honesty

Each student is expected to be familiar with the University’s policy on academic dishonesty. Any student who engages in any form of academic dishonesty is subject to the maximum allowed disciplinary action.

General Points

- Any student, who, because of a disabling condition, may require some special arrangements in order to meet course requirements should contact me as soon as possible to make the necessary accommodations.
- Smoking, eating, and drinking (other than water) in class are prohibited.
- Per the School of Accountancy policy, the only calculator permitted for examinations is the TI-1706 III or TI-1706+. The calculator is to be removed from its case prior to the exam and no calculator may be shared.
- **Disclaimer:** The instructor reserves the right to change deadlines, the course schedule, and classroom procedures and policies if circumstances dictate. Any changes will be announced in class.