



**DEPARTMENT OF BUSINESS AND OFFICE ADMINISTRATION**

**COURSE OUTLINE – FALL 2017**

**BA2130 A2: COST ACCOUNTING I – 3 (3-0-2) 75 HOURS**

**INSTRUCTOR:** Doris Hoveland                      **PHONE:** (780) 539-2824  
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**OFFICE HOURS:** Tuesday & Thursday 10:00-11:30 or by appointment

**CALENDAR DESCRIPTION:**

This is the first of a two part, in-depth course examining the concepts of cost and managerial accounting. Major topics include the following: cost-volume profit-analysis, relevant costs and short-term decision making, responsibility accounting, standard costing and variance analysis, and product costing and cost flow.

**PREREQUISITE:**

BA1120 Principles of Accounting or equivalent

**REQUIRED TEXT/RESOURCE MATERIALS:**

Horngrén, C., Data, S., Rajan, M., Beaubien, L. & Graham, C. (2016), *Cost Accounting: A Managerial Emphasis* (7th Cdn. ed.). Pearson Canada Inc.

**This text will be used extensively and is the required text for BA2140.** Students will require an appropriate calculator. The calculator function of a cell phone is NOT sufficient and students may use only approved calculators for examinations.

**DELIVERY MODE(S):**

This course is offered as 3 hours instruction and 2 hours lab per week for a total of 5 hours per week. The allocation of instructional time and lab time will be at the discretion of the Instructor.

- For each topic listed, there will be a classroom lecture/discussion and a demonstration of related accounting procedures. Relevant textbook readings and problems will be assigned, and your knowledge, understanding and application of the material will be tested. Chapter quizzes will be administered, either on paper during the weekly lab or electronically.
- The Final Examination is cumulative and will consist of multiple choice and short answer questions.
- Regular classroom attendance is expected. Each assigned reading should be studied both before and after it is discussed in class. Homework assignments, whether or not handed in should be completed to develop your understanding and application of the principles and practices.
- Assignments should be considered as professional submissions or presentations that would be prepared either for a client or a supervisor. Therefore, assignments should be neat and well organized. They should communicate the required information in an effective and efficient manner. Marks may be deducted for spelling, grammar, and other presentation errors.

- This course requires students to devote considerable time outside the classroom and thus it is imperative that students do not fall behind in readings and problems.
- Moodle is a Learning Management System used to improve communications between the Instructor and the Students. Important dates, documents, and announcements will be posted on Moodle and the Instructor will use the e-mail function of Moodle to send information to students. Please check your GPRC Student e-mail account regularly.
- PowerPoint slides will be used and will be available for download from Moodle.
- Unofficial student marks will be posted on Moodle. Official final grades will be communicated via myGPRC.

### **COURSE OBJECTIVES:**

The following objectives will be covered in this course:

- Cost-volume-profit analysis
- Job costing
- Activity based costing (ABC) and management (ABM)
- Budgeting and responsibility accounting
- Budgeting, variances and management control
- Denominator level and inventory valuation
- Decision making and relevant information
- Pricing decisions
- Strategy

### **LEARNING OUTCOMES:**

Upon completion of this course, the student will be able to:

- Define and differentiate management, cost and financial accounting
- Understand and use Cost Terms
- Perform and interpret Cost-Volume-Profit analyses
- Utilize Job Costing in both Manufacturing and Service Industries
- Apply Activity-Based Costing and Management concepts to both manufacturing and service industries
- Understand and utilize master budgets, flexible budgets, calculate and explain variances and their uses in management of organizations
- Understand and explain the effects of variable and absorption costing and related inventory valuations and income effects
- Determine cost drivers and how costs behave
- Utilize all previous information to determine relevant costs and resultant management decision making.

## TRANSFERABILITY:

University of Lethbridge

Other (transfers in combination with other courses or to other institutions)

**\*Warning:** Although we strive to make the transferability information in this document up-to-date and accurate, **the student has the final responsibility for ensuring the transferability of this course to Alberta Colleges and Universities.** Please consult the Alberta Transfer Guide for more information. You may check to ensure the transferability of this course at Alberta Transfer Guide main page <http://www.transferralberta.ca> or, if you do not want to navigate through few links, at <http://alis.alberta.ca/ps/tsp/ta/tbi/onlineSearch.html?SearchMode=S&step=2>

\*\* Note that, in many cases, BA2130 and BA2140 **together** are required for transferability. Grade of D or D+ may not be acceptable for transfer to other post-secondary institutions. **Students are cautioned that it is their responsibility to contact the receiving institutions to ensure transferability.**

## EVALUATIONS:

Assignments	15%
Term Test I	25%
Term Test II	25%
Final Examination	<u>35%</u>
Total	100%

## GRADING CRITERIA:

Please note that most universities will not accept your course for transfer credit **IF** your grade is **less than C-**.

Alpha Grade	4-point Equivalent	Percentage Guidelines		Alpha Grade	4-point Equivalent	Percentage Guidelines
A+	4.0	90-100		C+	2.3	67-69
A	4.0	85-89		C	2.0	63-66
A-	3.7	80-84		C-	1.7	60-62
B+	3.3	77-79		D+	1.3	55-59
B	3.0	73-76		D	1.0	50-54
B-	2.7	70-72		F	0.0	00-49

**COURSE SCHEDULE/TENTATIVE TIMELINE:**

<b>Week Beginning</b>	<b>Topic</b>	<b>Required Reading</b>
August 31 (Thur)	The Accountant's Vital Role in Decision Making	Chapter 1
September 4	An Introduction to Cost Terms and Purposes	Chapter 2
September 11	Cost-Volume-Profit Analysis	Chapter 3
September 18	Job Costing	Chapter 4
September 25	Activity-Based Costing and Management	Chapter 5
October 2	<b>Term Test I</b>	<b>Chapter 1-5</b>
October 9	Master Budget and Responsibility Accounting	Chapter 6
October 16	Flexible Budgets, Variances and Management Control: I	Chapter 7
October 23	Flexible Budgets, Variances and Management Control: II	Chapter 8
October 30	Income Effects of Denominator Level on Inventory Valuation	Chapter 9
November 6	<b>Term Test II</b>	<b>Chapter 6-9</b>
November 13	Analysis of Cost Behaviour	Chapter 10
November 20	Decision Making and Relevant Information	Chapter 11
November 27	Pricing Decisions: Profitability and Cost Management	Chapter 12
December 9 – 19	<b>FINAL EXAM (TBA)</b>	<b>All Chapters</b>

## **STUDENT RESPONSIBILITIES:**

### **Attendance:**

Each student is expected to come to class on time. Arriving late is disruptive to the entire class. The expectation for this course is that students have read the material and attempted the exercises and problems we will cover in class. Reading and practicing problems prepares you for classroom activities.

### **Time Management:**

Adopting and adhering to effective learning habits in this course will likely take up a great deal of time so plan your schedule accordingly. It is difficult to catch up once a student falls behind in readings and problems.

### **Cell Phones:**

The use of cell phones during class time is unprofessional and distracting to the instructor and fellow students. Texting during class is therefore strictly prohibited. Cell phones must be either **turned off** or set to *silent* mode.

### **Recording:**

Recording lectures or taking photos in class is prohibited unless advance permission is obtained from the instructor and any guest presenter(s). In the event permission is granted, such recordings may only be used for individual study, and may not be reproduced, transferred, distributed or displayed in any public manner.

## **STATEMENT ON PLAGIARISM AND CHEATING:**

Cheating and plagiarism will not be tolerated and there will be penalties. For a more precise definition of plagiarism and its consequences, refer to the Student Conduct section of the College Admission Guide at <http://www.gprc.ab.ca/programs/calendar/> or the College Policy on Student Misconduct: Plagiarism and Cheating at <http://www.gprc.ab.ca/about/administration/policies/>

\*\*Note: all Academic and Administrative policies are available on the same page.