



**SUFFOLK**  
**UNIVERSITY**  
MADRID CAMPUS

#### Madrid Campus Programs

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### ACCT 202 M1 - ACCOUNTING FOR DECISION MAKING II

Spring 2018

#### **Instructor Information:**

**Instructor:** Professor Noel Byrne

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**Phone:** 91-533-5935 Extension 136

**Office Location:** Business, Economics and Mathematics—Top Floor

**Office Hours:** Monday 15.00-16.00 and Wednesday 17.30-18.30

**Homepage:** [www.suffolk.edu/academics/18429.php](http://www.suffolk.edu/academics/18429.php)

#### **Course Information:**

**Class Meetings:** Monday and Wednesday 16:00 - 17:30, Room 1

**Extra Tutorial Hours:** Thursday 14:15-15:45, Room 1

**Catalogue Description:** Enables students to apply the concepts and skills from the preceding course. They learn how to analyze the financial condition and performance of a firm, and how to use accounting information in business planning, decision-making, and control. Relevant current ethical and competitive issues found in the financial press are discussed in the course.

**Instructor's Additional Course Description:** Accounting for Decision Making II, the second of a two-course sequence, has been designed to provide users of accounting information with the skills necessary to appraise and manage a business. The course will cover several current accounting topics to provide an understanding of how managers within an organization use accounting information in order to plan operations, control activities, and make decisions. Students who plan to concentrate in accounting will get the necessary foundation to pursue additional accounting courses, while non-accounting majors will benefit from an overview of the accounting system.

**Prerequisites:** ACCT 201

**Credit Hours:** 3

This course follows the US Federal Government's Credit Hour definition: "An amount of work represented in intended learning outcomes and verified by evidence of student achievement that is an institutional established equivalence that reasonably approximates no less than:

- (1) One hour of classroom or direct faculty instruction and a minimum of two hours of out of class student work each week for approximately fifteen weeks for one semester or trimester hour of credit, or ten to twelve weeks for one quarter hour of credit, or the equivalent amount of work over a different amount of time; or
- (2) At least an equivalent amount of work as required in paragraph (1) of this definition for other academic activities as established by the institution including laboratory work, internships, practica, studio work, and other academic work leading to the award of credit hours."

For full up-to-date statement:

[https://cihe.neasc.org/sites/cihe.neasc.org/files/downloads/POLICIES/Pp111-Policy\\_On\\_Credits\\_And\\_Degrees.pdf](https://cihe.neasc.org/sites/cihe.neasc.org/files/downloads/POLICIES/Pp111-Policy_On_Credits_And_Degrees.pdf)

### **Course Materials:**

**Required:** Garrison, Noreen, and Brewer; Managerial Accounting, 15<sup>h</sup> Edition, (McGraw-Hill Publishers). It is mandatory for students to purchase an ebook version of this book by registering on the following link: <http://connect.mheducation.com/class/n-byrne-spring-2018-mw-1600-1730>

**Required:** Lecture powerpoint slides to be downloaded from Blackboard

**Required:** CONNECT- Homework Assignment platform (see further details below)

The text we are using is a cutting-edge college learning tool, accompanied by many web-based resources. The book itself is designed with active student learning in mind. Take advantage of this by reading the lead stories and the summaries and key terms for review at the end of each chapter.

**You must also bring your textbook to class, as we will frequently looking at examples, tables or charts from the book. You will be allowed to use an electronic device to access your ebook for these occasions but only for this use.**

### **Course Goals & Learning Objectives:**

<b>Upon successful completion of this course, students will know/understand</b>	<b>Upon successful completion of this course, students will be able to</b>	<b>How the student will be assessed on these learning outcomes:</b>
<ul style="list-style-type: none"><li>the main differences between financial and managerial accounting and the different environments within which both are carried out.</li></ul>	<ul style="list-style-type: none"><li>list and understand the differences between managerial and financial accounting</li><li>explain how managerial accounting is internally focused whereas financial accounting is externally focused and how that affects the nature of the accounting and its accuracy and relevance.</li></ul>	<ul style="list-style-type: none"><li>In-class quiz</li><li>Written homework exercises and online Connect homework assignments.</li></ul>
<ul style="list-style-type: none"><li>cost terms, concepts, classifications and cost behavior.</li></ul>	<ul style="list-style-type: none"><li>list and explain the various types of costs</li><li>distinguish between costs that are relevant to a decision and those that are irrelevant.</li><li>predict cost behavior as the level of activity changes.</li></ul>	<ul style="list-style-type: none"><li>In-class quiz</li><li>Written homework exercises and online Connect homework assignments.</li></ul>
<ul style="list-style-type: none"><li>how to apply job-order costing to the costing of the manufacture of products in jobs.</li></ul>	<ul style="list-style-type: none"><li>calculate all of the costs that go into a particular job including direct material, direct labor and manufacturing overhead.</li><li>record all of the transactions relating to a job-order costing system in the general ledger.</li></ul>	<ul style="list-style-type: none"><li>Mid-term exam</li><li>Written homework exercises and online Connect homework assignments.</li></ul>
<ul style="list-style-type: none"><li>how to apply process costing to the costing of the manufacture of products that are processed.</li></ul>	<ul style="list-style-type: none"><li>calculate all of the costs that go into the processing of a particular product including direct materials, direct labor and manufacturing overhead.</li><li>prepare a production report.</li><li>record all of the transactions relating to a process costing system in the general ledger.</li></ul>	<ul style="list-style-type: none"><li>Mid-term exam</li><li>Written homework exercises and online Connect homework assignments.</li></ul>
<ul style="list-style-type: none"><li>cost-volume-profit relationships.</li></ul>	<ul style="list-style-type: none"><li>calculate the breakeven point in dollars and units using various methods.</li><li>perform scenario analysis based on price, cost and volume variations.</li><li>prepare a CVP graph</li><li>calculate Target Profit in dollars and units.</li><li>understand the effects of cost structure and operating leverage.</li></ul>	<ul style="list-style-type: none"><li>Mid-term exam</li><li>Written homework exercises and online Connect homework assignments.</li></ul>
<ul style="list-style-type: none"><li>the difference between variable and absorption costing and its effects on profitability and inventory valuation.</li></ul>	<ul style="list-style-type: none"><li>prepare an income statement based on both variable and absorption costing.</li><li>calculate and explain the difference in profit between the two systems</li><li>understand the advantages and disadvantages of each system.</li></ul>	<ul style="list-style-type: none"><li>Mid-term exam</li><li>Written homework exercises and online Connect homework assignments.</li></ul>

<ul style="list-style-type: none"> <li>• how an Activity Based Costing system works and how it differs from a traditional costing system.</li> </ul>	<ul style="list-style-type: none"> <li>• carry out all of the steps in an Activity Based System.</li> <li>• cost jobs/services based on this system.</li> <li>• compare costs calculated under this system and those under a traditional system and be able to explain the difference.</li> </ul>	<ul style="list-style-type: none"> <li>• Performance on in-class quiz and final exam.</li> <li>• Written homework exercises and online Connect homework assignments.</li> </ul>
<ul style="list-style-type: none"> <li>• how to make various decisions that a managerial accountant is asked to assist with.</li> </ul>	<ul style="list-style-type: none"> <li>• deal with various decisions that a managerial accountant has to face and recommend a decision based on the underlying calculations.</li> <li>• handle amongst others make/buy, keep or drop, sell or process further, keep or replace equipment decisions</li> </ul>	<ul style="list-style-type: none"> <li>• Performance on in-class quiz and final exam.</li> <li>• Written homework exercises and online Connect homework assignments.</li> </ul>
<ul style="list-style-type: none"> <li>• what is involved in the budgetary system of a company and how to prepare budgets.</li> </ul>	<ul style="list-style-type: none"> <li>• prepare budgets in all of the different revenue and cost areas of a business.</li> <li>• consolidate these budgets to prepare an overall master budget.</li> <li>• recognize and address the problems that can arise in the budgetary process.</li> </ul>	<ul style="list-style-type: none"> <li>• Performance on in-class quiz and final exam.</li> <li>• Written homework exercises and online Connect homework assignments.</li> </ul>
<ul style="list-style-type: none"> <li>• standard costs, variance analysis and how to prepare performance reports.</li> </ul>	<ul style="list-style-type: none"> <li>• recognize what a standard cost is.</li> <li>• set standard costs appropriately.</li> <li>• calculate variances from standard costs and explain why they occur in a performance report.</li> </ul>	<ul style="list-style-type: none"> <li>• Performance on the final exam.</li> <li>• Written homework exercises and online Connect homework assignments.</li> </ul>
<ul style="list-style-type: none"> <li>• how to perform flexible budgets and overhead application in a standard cost system.</li> </ul>	<ul style="list-style-type: none"> <li>• prepare flexible budgets.</li> <li>• calculate the different types of variances that arise with these type of budgets and explain why they occur.</li> </ul>	<ul style="list-style-type: none"> <li>• Performance on the final exam.</li> <li>• Written homework exercises and online Connect homework assignments.</li> </ul>
<ul style="list-style-type: none"> <li>• segmental reporting in decentralized organizations.</li> </ul>	<ul style="list-style-type: none"> <li>• list advantages and disadvantages of decentralization.</li> <li>• distinguish between cost, profit and investment centers.</li> <li>• prepare segmented statements and calculate ROI.</li> </ul>	<ul style="list-style-type: none"> <li>• Performance on the final exam.</li> <li>• Written homework exercises and online Connect homework assignments.</li> </ul>

The course objectives will be achieved by reading and preparing for class sessions, exams, quizzes and homework assignments both written and on Connect Homework manager. Students are expected to read the chapters and PowerPoint slides before topics are covered in class. Class sessions will be used to explain key concepts; however, homework assignments and any other queries will be dealt with in the extra tutorial hours as there is a huge amount of material to cover in the normal classes.

**Course evaluation and grading:**

Mid-Term exam	25%
Quiz 1	10%
Quiz 2	10%
Final Exam	25%
Participation and Attendance	10%
Connect Homework Manager Homework Assignments	20%
Total	<u>100%</u>

Percentage	Grade	Percentage	Grade
94-100	A	77-79	C+
90-93	A-	73-76	C
87-89	B+	70-72	C-
83-86	B	60-69	D
80-82	B-	59 or less	F

### **Important Dates:**

*Mid-Term Exam: TBA*

*Final Exam: TBA*

*Last date to drop course without a grade of "W" 6<sup>th</sup> of February, 2018*

*Last date for withdrawal from course without a grade "F" 21<sup>st</sup> of March, 2018*

### **Course/Classroom Policies:**

#### **Make-Up Exams**

There will be no make-up exam for the mid-term. If a student misses the mid-term, the % allocated to it will be transferred to the final exam ONLY if that student has an excused absence, i.e., a certificate from a doctor which must be brought in immediately after the mid-term. Failure to produce such a certificate will result in loss of 10% of the 25% allocated to the mid-term with the other 15% transferred onto the final exam.

A make-up final exam will be provided for a student only if that student has three final exams on the same day or there are two coinciding exams. I will require evidence of such an event, and I must be notified at least **TWO** weeks in advance of the final exam in order to arrange an alternative time to take the final exam.

#### **Quizzes**

There will be two quizzes during the semester as outlined in the course schedule below. Each quiz is worth 10% of the overall grade. I will distribute a practice quiz for completion prior to each quiz with a solution key. I also recommend that students complete the practice multiple choice quizzes in the online learning center accompanying the textbook

#### **Written Homework Assignments**

Written homework has been assigned with each chapter; you can find details of this on the last page of the PowerPoint slides for each chapter. It is extremely important that you do this assigned homework, as accounting is learnt through doing rather than reading. I will be going through the solutions to these homework assignments in extra tutorials on Thursday afternoons from 14:15 to 15:45 in Room 1. We will **not** be going through the homework solutions to these homework assignments during normal classes, as there simply isn't sufficient time. However, if you cannot attend the tutorials, you should check your answers against the solutions that I will publish on Blackboard. The written homework will prepare you for the mid-term and final exams much better than the Connect homework.

#### **Connect Homework Manager Assignments**

In addition, we will be using the McGraw-Hill CONNECT Accounting and Assessment platform to prepare homework assignments. These assignments will represent a very significant part of your grade (**20%**), and it is absolutely essential that all students do these assignments, as good performance in these exercises will take some pressure off the mid-term and final exams. To access the homework assignments, you must enter the following URL: <http://connect.mheducation.com/class/n-byrne-spring-2018-mw-1600-1730>. There are a certain amount of points available for these assignments. The amount of the 20% extra credit awarded will depend on how you score on these points, taking into account the 90% rule below to account for times when you encounter computer bugs or any other problems submitting.

To account for any potential Connect bugs or potential cases in which you will not be able to submit all the assigned homework, to earn the full credit of 20% allocated to the Connect homework assignments you only need to score an average of 90% or over.

The due dates for the assignments are set at the beginning of the semester, so you cannot submit any assignments late. The assignments are checked automatically by the software. To avoid any possible problems, you should familiarize yourself with the software before the assignment is due. Homework for each chapter will be due as of 11:55 pm on the day stated on the assignment. The due date is approximately a week after we cover the material for those assignments in class.

### **Extra Tutorials**

As there is simply not time to go through all of the homework assignments in normal class hours, I have set up special tutorials on Thursday afternoons in room 1 from 14:15 to 15.45 to go through homework assignments step by step and any other difficulties a student may be experiencing with the material. I strongly encourage any student who had problems with Accounting for Decision Making I or feels they are weak at accounting to attend these tutorials from the very beginning of the semester. Anyone scoring a C- or less on the mid-term will be **required** to attend these tutorials from the mid-term to the end of the semester. Failure to attend if you must do so will negatively affect your participation and attendance grade.

### **Participation**

You must bring your textbook and downloaded PowerPoint slides to class, as we will be using both of them extensively. It is essential that students read the chapters and slides prior to class, given the fast pace needed in order to cover the extensive amount of course material. Participation makes the class more interesting and clarifies your understanding of the material. Participation includes being on time for class, attentiveness, your ability to ask thoughtful and relevant questions and your ability to respond to questions when called upon. Applying the knowledge learnt to real life companies and life experiences is especially welcome.

### **Attendance (Expected)**

The members of the Accounting Department feel that your attendance at every class meeting is necessary for mastery of our curriculum. Attendance and promptness are expected. Faculty will take attendance at every class, and your grade will be affected by a lack of compliance. For a class that meets twice a week, each student is allowed two unexcused absences. Any student who has more than two unjustified absences will have their attendance/participation grade reduced by one third of a grade for each absence in excess of the two allowed. For example, if you have three unjustified absences and your final grade is initially a B, this will be reduced to a B-.

In rare instances, students may have to miss class for a valid, university-sanctioned reason. In general, an absence is considered "official" when: (a) the student is participating in an approved field trip or other official Suffolk University activity; (b) the absence is confirmed under doctor's orders; or (c) the student is granted a leave of absence from Suffolk for reasonable cause by an academic dean. Students are required to show official documentation indicating a university-sanctioned reason for absence. Tardiness and absence due to work-related responsibilities are not excused absences.

### **Punctuality, Leaving Class and Respectfulness**

Please do not be late for class as it is extremely disruptive to the class. The door to the classroom will be shut ten minutes after the commencement of the class, and you will not be allowed to enter the class after this time. If this occurs, it will be counted as an unjustified absence. I prefer nobody to leave the class during the lesson, but if it is an absolute emergency, please raise your hand and ask for permission to leave. There will be zero tolerance towards disrespectfulness. Anyone acting disrespectfully towards me will be invited to leave the class and see me during my office hours to explain their behavior before being allowed back into class again. I consider the class to be a professional situation, and I expect all students to act professionally both towards me and their classmates. All discussion of grades or academic performance will take place in my office during my office hours and not in the classroom.

### **Using Electronic Equipment in Class**

It is strictly forbidden to use laptops, ipads, mobile telephones or any other electronic equipment in class, so please switch them off prior to entering into class. You may download the PowerPoint slides to your laptop, but please be aware that you will not be able to look at them in class, as laptops are not allowed in the classroom. However, on those occasions that we use the textbook in class to do some exercises, you will be allowed to use an electronic device to access your ebook but only for this use.

### **Food or drink in class**

It is strictly prohibited to bring food and drink (except water) into class. Water should be obtained prior to commencement of class; students should not leave during class to get it.

### **Statement on Accommodations for Students with Disabilities (CAS & SBS):**

If you anticipate issues related to the format or requirements of this course, please meet with me. I would like us to discuss ways to ensure your full participation in my classroom.

If you determine that you need formal, disability-related accommodations, it is very important that you register with the Office of Disability Services (617.994.6820 / [disabilityservices@suffolk.edu](mailto:disabilityservices@suffolk.edu)) and notify me of your eligibility for reasonable accommodations. We can then plan how best to implement your accommodations. For more information, look here: [www.suffolk.edu/disability](http://www.suffolk.edu/disability).

### **Student Resources:**

SUMC provides a range of student services, both academic and personal. To learn more about course-related tutorials and academic workshops, refer to the SUMC Student Handbook, Section 2 "Academic Policies and Services". Section 5, "Living in Madrid", contains information on the medical and mental health resources, including an English-speaking therapist, available to you.

### **Midterm Review:**

At midterm, around week 6, you will be given a midterm grade based on your progress to date and performance on presentations, quizzes and the midterm exam.. Midterm grades of C- or below will be reported to the Madrid Campus Academic Standing Committee, with an explanation of what I believe has contributed to that grade: excessive absences, poor time management or study skills, lack of effort, difficulty with the course material or with writing or language skills, etc. The Academic Standing Committee or I may contact you to suggest strategies for addressing these difficulties. I strongly encourage you to visit me during my office hours so we may discuss how you can be successful in this class.

### **Academic Misconduct:** [www.suffolk.edu/studenthandbook/61096.php](http://www.suffolk.edu/studenthandbook/61096.php)

Suffolk University expects all students to be responsible individuals with high standards of conduct. Students are expected to practice ethical behavior in all learning environments and scenarios, including classrooms and laboratories, internships and practica, and study groups and academic teams. Cheating, plagiarism, unauthorized collaboration, use of unauthorized electronic devices, self-plagiarism, fabrication or falsification of data, and other types of academic misconduct are treated as serious offenses that initiate a formal process of inquiry, one that may lead to disciplinary sanctions.

Student work will be thoroughly examined for academic integrity and may be scanned using plagiarism detection software. A faculty member suspecting academic misconduct will contact the student using the Suffolk email address to schedule a meeting and will make all effort to do so within five business days of detecting the incident. During the meeting, the faculty member will present the documentation that led to suspected academic misconduct. Resolution of the incident will be according to the procedures outlined in the SUMC Student Handbook.

**Academic Grievances Policy:**[www.suffolk.edu/studenthandbook/67192.php](http://www.suffolk.edu/studenthandbook/67192.php)**Course Schedule**

The schedule, policies, procedures and assignments in this course are subject to change in the event of extenuating circumstances, by mutual agreement, and/or to ensure better student learning.

<b>SESSIONS</b>	<b>TOPIC</b>	<b>Readings</b>
Class 1	Syllabus Explanation, Introduction and Managerial Accounting An Overview	Chapter 1
Class 2	Managerial Accounting and Cost Concepts	Chapter 2
Class 3	Managerial Accounting and Cost Concepts	Chapter 2
Class 4	Job-Order Costing	Chapter 3
Class 5	Job-Order Costing	Chapter 3
<b>Class 6 (First half)</b>	<b>Quiz 1 (chapters 1, 2, and 3)</b>	
Class 6 (Second half)	Process Costing	Chapter 4
Class 7	Process Costing	Chapter 4
Class 8	Cost-Volume-Profit Relationships	Chapter 5
Class 9	Cost-Volume-Profit Relationships	Chapter 5
Class 10	Variable Costing and Segment Reporting	Chapter 6
Class 11	Variable Costing and Segment Reporting	Chapter 6
Class 12	<b>Mid-Term Exam Chapters (1-6) see date above</b>	
Class 13	Activity-Based Costing	Chapter 7
Class 14	Activity-Based Costing	Chapter 7
Class 15	Differential Analysis the Key to Decision Making	Chapter 12
Class 16	Differential Analysis the Key to Decision Making	Chapter 12
Class 17	Differential Analysis the Key to Decision Making	Chapter 12
Class 18	Master Budgeting	Chapter 8
Class 19	Master Budgeting	Chapter 8
<b>Class 20 (First half)</b>	<b>Quiz 2 (Chapters 7, 8 and 12)</b>	
Class 20 (Second half)	Flexible Budgets and Performance Analysis	Chapter 9
Class 21	Flexible Budgets and Performance Analysis	Chapter 9
Class 22	Standard Costs and Variances	Chapter 10
Class 23	Standard Costs and Variances	Chapter 10
Class 24	Performance Measurement in Decentralized Organizations	Chapter 11
Class 25	Performance Measurement in Decentralized Organizations	Chapter 11
Class 26	Review for Final Exam	
	<b>Final exam (Chapters 7 -12 ) See date above</b>	

*The written homework assignments that you are expected to complete are listed on the last page of the PowerPoint slides for each chapter. All Connect assignments and their due dates are listed on the Connect website.*