

The Wharton School of the University of Pennsylvania

ACCOUNTING 102 – Managerial Accounting Course Syllabus Spring, 2016

Instructor: Professor Mirko Heinle (1330 Steinberg Hall-Dietrich Hall),
e-mail: miheinle@wharton.upenn.edu

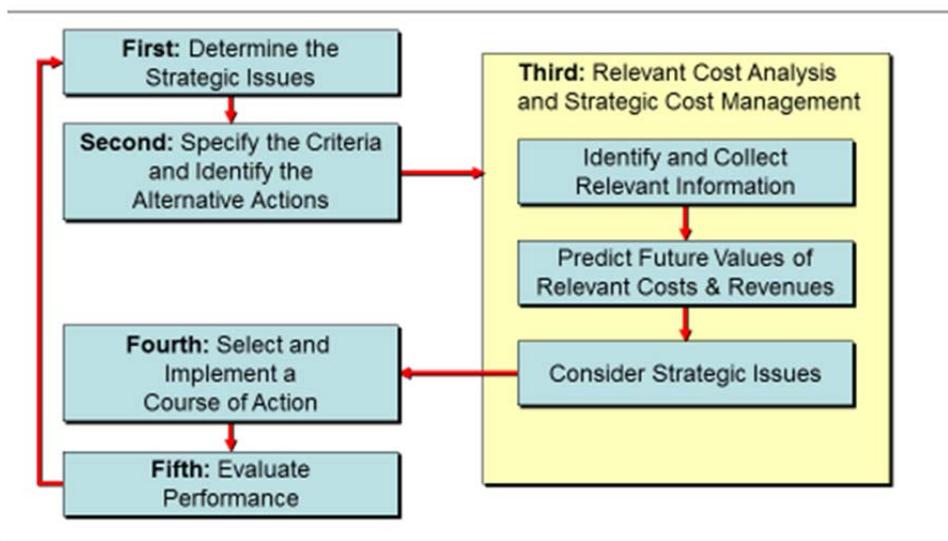
Office Hours: Monday and Wednesday 9:15 to 10:15 or by appointment

Teaching Assistants: Refer to Canvas

COURSE OBJECTIVES:

This course focuses on financial decision-making and performance evaluation within firms. Throughout the class, the following strategic cost management framework is applied across the various functions of an organization to highlight the cost analysis and performance evaluation methods available to improve organizational performance.

The Strategic Cost Management Decision-Making Process



Examples from a variety of settings, ranging from product design and pricing to customer profitability analysis, competitor cost analysis, and the development of pro forma financial statements and earnings forecasts, are used to illustrate the widespread applicability of these methods to internal management, consulting, and financial analyst positions.

REQUIRED MATERIAL:

Davila, Antonio and Daniel Oyon, *Malea Fashion District, How Successful Managers Use Financial Information to Grow Organizations, 2nd Edition*, 2009

Shim, Jae K. and Joel G. Siegel, *Shaum's Outlines, Managerial Accounting, 2nd Edition*, McGraw Hill

Dakota Office products case (available through study.net).

COURSE OPERATION:

The course meets three times a week - lectures on Monday and Wednesday, and a recitation on Friday.

Monday and Wednesday – Lectures

Fridays – Recitations

The teaching assistants (TAs) for the course, will conduct the Friday recitation sessions. During those recitations, the week's material will be review, your questions will be answered, and an assigned problem will be reviewed. New material will not be covered.

Please note that some recitations and/or review sessions may be held at different times from those indicated in your class schedule. (These will typically occur near the time of an exam.) This will be done to maximize the number of students able to attend these sessions.

CANVAS:

To access the Canvas for Accounting 102, go to the internet URL:

<https://wharton.instructure.com>

On that page, click on ACCT to display links to accounting course Canvas rooms, and then click on your section number.

Non-Wharton students must obtain a Wharton computer account in order to access Canvas.

Canvas contains, among other items, the course syllabus, class schedule, and information on the TAs' office hours and office and recitation locations. I will make the lecture notes for each class available on Canvas not later than the day preceding the day of the class.

To read most of the materials posted, you will need a copy of the Adobe Acrobat reader. To obtain a copy, go to:

<http://www.adobe.com/products/acrobat/readstep2.html>

If you have problems with Canvas, contact

iwane@wharton.upenn.edu

OFFICE HOURS:

The TAs office hours will be posted on Canvas.

In addition to the regular weekly office hours the TAs will hold additional office hours during the week of an exam.

PERFORMANCE EVALUATION SYSTEM:

The course grade is based on relative performance evaluation (i.e., a curve), but no forced grade distribution is used. Your grade will be based, exclusively, on the weighted average of three exams and a written case solution, which are scheduled as follows:

	Date	Time	Weight
Exam I:	February 17 (Wednesday)	6:00 – 8:00 pm	31%
Exam II:	March 22 (Tuesday)	6:00 – 8:00 pm	31%
Exam III (Final):	May 6 (Friday)	6:00 – 8:00 pm	31%
In-class questions	January 25 – April 25	during class	7%

Please note that the above weighting scheme will be strictly adhered to. There is no possibility of earning extra credit or of changing the above weights.

Grades will be distributed so that approximately 70% of the class enrollment (following the end of the drop period) receives A's or B's. Note that the grade distribution is set based on enrollment following the end of the drop period, and to the extent that students subsequently withdraw from the course, the percentage of the *final* enrollment who receive A's or B's will be *greater* than 70%. **This policy means that no student who remains in the course is negatively affected by the fact that other students have withdrawn.**

Students at the bottom of the distribution with a very poor weighted average scores (e.g., a weighted average score of less than 40%) will likely receive a final grade of F.

IN-CLASS QUESTIONS

Starting in class 3, on January 25, I will ask 2 or 3 questions during every class except for review sessions. All questions will be asked using Poll Everywhere. Each student will need to create an account on <https://www.polleverywhere.com/> and join the group Acct 102 – 2016 using the following link: www.polleverywhere.com/register?p=2ium5-1ri4&pg=PB8r7UR&u=4KKjtvvT. (Note that I will also send the link by email to all students that are registered for my sections after the second session on January 20.) I will open the poll during classes such that students can answer the question and will close the poll a little later. To answer the questions students will need to bring either a smart phone, a tablet, or a laptop.

Students can gain a total of 7 points (that translate to 7% of the total grade) by answering in-class questions via Poll Everywhere. Up to 5 points are gathered for any answer, not just correct answers. 2 additional points can be gathered by answering correctly. Specifically, you will receive 2 points for answering at least 50% of the questions correctly. The remaining 5 points can be achieved as follows:

Answered questions	Score
30% – 39%	1
40% – 49%	2
50% – 59%	3
60% – 69%	4
70% – 100%	5

EXAMINATIONS

All examinations are closed-book and closed notes, with one exception. Students will be permitted to use one page (8 ½" x 11", one side only) of notes during the examination.

EXAM ACCOMMODATIONS AND CONFLICTS:

If you need additional time to complete an exam because of a university-recognized disability, please inform your instructor (by e-mail) and the Office of Student Disabilities Services (SDS) *within two weeks of the start of classes*. You will be provided with the accommodations that are approved by that Office.

If you have a class or an exam for another course which is to be given at the same time as a scheduled exam, you must notify your instructor (not your TA) by e-mail within two weeks of the start of classes. Your e-mail must include your COMPLETE CLASS AND EXAM SCHEDULE FOR THE DAY OF THE CONFLICT. In those cases of an acceptable exam conflict, arrangements will be made for you to take the exam at an alternate time. Note that if such an arrangement has been made and you fail to attend the exam at the arranged time, you will receive a grade of zero for the exam. If your schedule changes such that you no longer have a “conflict” with the regularly scheduled exam, you should notify your instructor by e-mail as soon as possible.

In other cases, documented (written) evidence (i.e., from a doctor – a letter from Student Health is NOT sufficient) that you were **seriously ill, or unavailable for some other reason**, at the scheduled time of an exam is the only valid excuse for missing an exam. In order to be excused from an exam, you must email your instructor as soon as possible (prior to the exam, if possible), and you must provide the original copy of the required documentation. (A photocopy or other facsimile is not sufficient.) **Please note that a job interview, your attendance at a social event or participation in a sporting event are not normally considered to be sufficient reasons to miss an exam.** However, if you notify your instructor sufficiently far in advance, an attempt will be made to accommodate the situation.

Students who fail to attend an exam without making arrangements with the instructor in accordance with the preceding requirements will receive a grade of 0 for the exam.

If a student misses an exam (with a valid excuse), he/she will be required to take the make-up exam. Make-up exams will be given *only* on the make-up exam date, which is scheduled by the University (typically during the first week of classes for the following semester).

WITHDRAWAL FROM THE COURSE:

I will not refuse a student's request to withdraw from the course. However, while I am willing to approve withdrawals up to the day before the final, **the undergraduate division has the final authority**, and, in most previous cases, it has refused all withdrawal requests submitted after the university deadline (**see below**). However, I urge students who are thinking of withdrawing in order to avoid a grade of C to think carefully about the costs of losing credit for the course and receiving a W versus the benefit of potentially getting a higher grade in the future.

Be aware that, in order to withdraw from the course, you must meet the university deadline and requirements regarding withdrawals. In particular, note that the university withdrawal deadline is Friday, March 27, 2015. Therefore, if you wish to withdraw after March 27, you will be required to submit a petition to the Wharton Undergraduate Division to obtain its approval. Please obtain the School's approval before you ask for mine (which I will give).

RE-GRADES:

I and the TAs follow a grading scheme that is designed to award partial credit. Occasionally, we will make mistakes, and we are eager to correct them subject to the following limits. If you believe that there was a *mistake* in the grading of your exam, you must submit the original exam (with no adjustments), and a *written explanation* of the points of contention. *within one calendar week following the return of the exam*, **We will only re-grade exams if they: (1) were originally written in non-erasable pen, (2) used no correction tape, white-out, etc., and (3) have not been edited or marked up in any way following their return and prior to the submission of the re-grade request.** *Please note, any exam submitted for re-grade is subject to a complete review*, which may result in an increase or decrease in the total exam score. If the re-grade request is made after one calendar week or without an accompanying explanation, no re-grade will be permitted.

All re-grade decisions are *final*.

FAIRNESS AND INTEGRITY:

I emphasize fairness to all students taking the course. Please do not do anything that is unfair to other students, or ask your instructor to make exceptions that are unfair to other students.

I expect you to follow the code of Academic Integrity in this course and in all your courses:

http://www.upenn.edu/provost/images/uploads/Academic_Integrity.pdf.

In order to ensure fairness and on behalf of the overwhelming majority of honest students, I will refer anyone suspected of cheating to the Office of Student Conduct. The Office of Student Conduct will determine if cheating occurred, and if so, what punishment will be administered. There are no exceptions to this policy under any circumstances.

There is some probability that I or the TAs will find a student who has cheated. Please note that when a student is convicted of cheating by the Office of Student Conduct, the minimum punishment is a grade of F for the course and a one-semester suspension. Cheating is wrong from an ethical standpoint, and cheating does not make sense practically, because **the expected costs to the cheater far outweighs any small benefits.**

Course Schedule

Session	Date	Topic and readings	
01	Wed. 1/13	Introduction Class Notes:	Session 01
	Fri. 1/15	Recitation cancelled	
	Mon. 1/18	MLK – No Class	
Part 1: Decision Making			
02	Wed. 1/20	Cost Concepts Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 02 Chapters 1, 2, 6 Chapters 2, 4, 5
	Fri. 1/22	Recitation cancelled	
03	Mon. 1/25	Relevant Costs Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 03 Chapters 1, 2, 6 Chapters 2, 4, 5
04	Wed. 1/27	Cost, Volume, Profit (CVP) and Financial Modeling Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 04 Chapters 1, 2, 6 Chapters 2, 4, 5
	Fri. 1/29	Recitation Recitation Problems 01	
05	Mon. 2/01	Decision Making: Case Class Notes: Reading:	Session 05 Forrest Gump Case

Part 2: Cost Accounting			
06	Wed. 2/03	Overview of Cost Accounting	
		Class Notes:	Session 06
		Text Books	
		Malea Fashion District	Chapters 3, 4, 7
		Shaum's Outline	Chapter 12
Fri. 2/05		Recitation	
		Recitation Problems 02	
07	Mon. 2/08	Job Costing	
		Class Notes:	Session 07
		Text Books	
		Malea Fashion District	Chapters 3, 4, 7
		Shaum's Outline	Chapter 12
08	Wed. 2/10	Process Costing	
		Class Notes:	Session 08
		Text Books	
		Malea Fashion District	Chapters 3, 4, 7
		Shaum's Outline	Chapter 12
Fri. 2/12		Recitation	
		Recitation Problems 03	
09	Mon. 2/15	Catch-up and Exam Review	
		Class Notes:	Session 09
Wed. 2/17		Exam 1 6-8pm	
		(All materials covered in Session 1-9)	
Fri. 2/19		Recitation cancelled	
Fri. 2/19		Drop Period Ends	

Part 3: Cost Management			
10	Mon. 2/22	Short Term Costing Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 10 Chapter 7, pp.153-155 Chapter 11 Chapter 4, p. 63
11	Wed. 2/24	Activity Based Costing: Part 1 Class Notes: Text Books Malea Fashion District Shaum's Outline	Sessions 11 and 12 Chapter 10 Chapter 13, pp. 335-338
	Fri. 2/26	Recitation Recitation Problems 04	
12	Mon. 2/29	Activity Based Costing: Part 2 Class Notes: Case (to be handed in before class) Text Books Malea Fashion District	Sessions 11 and 12 East Penn Bank Chapters 14
13	Wed. 3/02	Activity Based Management Class Notes: Text Books Malea Fashion District	Session 13 Chapter 10, pp. 223-228
	Fri. 3/04	Recitation cancelled	
March 5 – March 13 Spring Term Break			
14	Mon. 3/14	Support Department Cost Allocation Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 14 Chapter 13 Chapter 12, pp. 319-321
15	Wed. 3/16	Pricing Decisions Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 15 Chapter 5 Chapter 5, pp. 91-92

	Fri.	3/18	Recitation Recitation Problems 05	
16	Mon.	3/21	Catch-up and Exam Review Class Notes:	Session 16
	Tue.	3/22	Exam 2 6-8pm (All materials covered in Session 10-16)	
	Wed.	3/23	Class Cancelled (due to Exam)	
	Fri.	2/25	Recitation cancelled	
	Fri.	2/25	Withdrawal Period Ends	
Part 4: Cost Planning				
17	Mon.	3/28	Capital Budgeting Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 17 Chapter 12 Chapter 9
18	Wed.	3/30	Cost Estimation Class Notes: Text Books Shaum's Outline	Session 18 Chapter 3
	Fri.	4/01	Recitation Recitation Problems 06	
19	Mon.	4/04	Competitive Cost Analysis Class Notes:	Session 19
Part 5: Performance Evaluation and Incentives				
20	Wed.	4/06	Responsibility Accounting Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 20 Chapters 15, pp.307-316 Chapters 7, 8

	Fri.	4/08	Recitation Recitation Problems 07	
21	Mon.	4/11	Accounting Performance Measures and Incentives Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 21 Chapter 3, pp. 60-75 Chapter 8
22	Wed.	4/13	Variance Analysis - Sales Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 08 Chapter 9 Chapters 6, 7
	Fri.	4/15	Recitation Recitation Problems 08	
23	Mon.	4/18	Variance Analysis - Costs Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 23 Chapter 9 Chapters 6, 7
24	Wed.	4/20	Transfer Pricing Class Notes: Text Books Malea Fashion District Shaum's Outline	Session 24 Chapter 15, pp. 316-319 Chapter 8, pp. 186-187
	Fri.	4/22	Recitation Recitation Problems 09	
25	Mon.	4/25	To be announced	
26	Wed.	4/27	Catch-up and Exam Review Class Notes:	Session 26
	Fri.	5/06	Exam 3 6-8pm (All materials covered in Session 17-26)	