

The Wharton School of the University of Pennsylvania

ACCOUNTING 102 – Managerial Accounting Course Syllabus Fall, 2020

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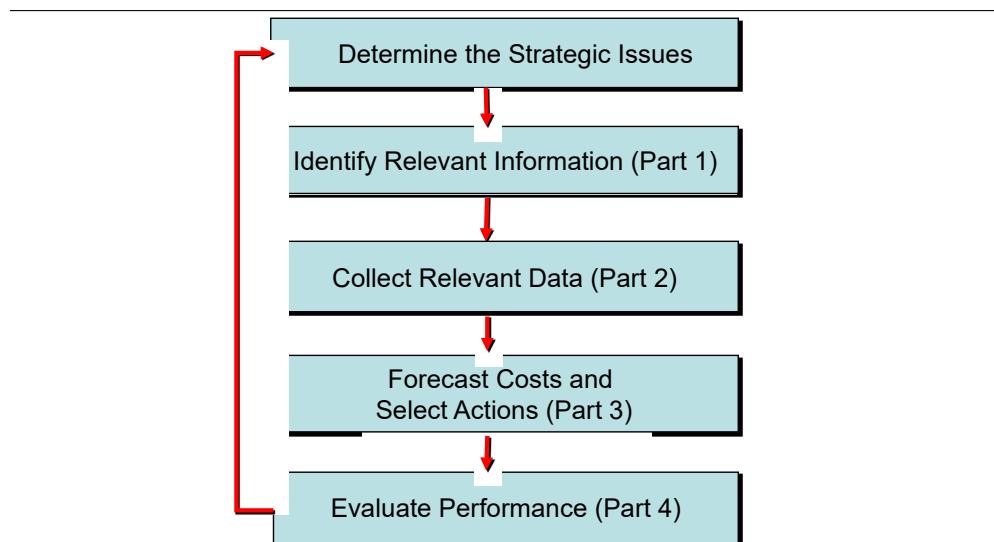
Office Hours: by appointment

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.

COURSE OPERATION:

The course meets twice a week - Monday and Wednesday. For most classes, I will upload pre-recorded videos that introduce the concepts and mechanics that we will discuss in class. I expect that you have watched these videos before class. In turn, I will reduce the synchronous class component accordingly.

OFFICE HOURS:

My office hours and those of the TAs will be posted on Canvas.

CANVAS:

To access the Canvas for Accounting 102, go to the internet URL: <https://canvas.upenn.edu/>

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

Canvas contains, among other items, the course syllabus, class schedule, and information on the TAs' office hours and location. I will make the lecture notes for each class available on Canvas no 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 accounting_it@wharton.upenn.edu

SUPPLEMENTARY MATERIAL:

1. If you would like more intuition and reasons for why the problems that we discuss arise:
Davila, Antonio and Daniel Oyon, *Malea Fashion District, How Successful Managers Use Financial Information to Grow Organizations*, 3rd Edition, 2009
(the official webpage <http://www.maleafd.com/> effectively contains the whole book in little youtube videos and small pages, otherwise a paperback is available)
2. If you would like more problems (with solutions) to practice the mechanics of many of the concepts we discuss in class:
Shim, Jae K. and Joel G. Siegel, *Shaum's Outlines, Managerial Accounting*, 2nd Edition, McGraw Hill
(no ebook available, paperback approximately \$22)
3. If you would like a different simple introduction to the topics we discuss:
Alshar, Kalpesh, *Cost Accounting & Management Essentials You Always Wanted To Know*, Vibrant Publishers
(e-book available for approximately \$10)
or
Holtzman, Mark P., *Managerial Accounting For Dummies, For Dummies*
(e-book available for approximately \$15)

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 four tests. I offer five tests during the semester and for each student will count the four highest raw scores for the final grade (that is, if you have raw scores of 60, 70, 80, 90, and 100 in the four tests, I will count 70, 80, 90, and 100 for the final distribution). The schedule and weight of tests and in-class questions is as follows:

	Date	Time	Weight
Test 1:	September 24 (Thursday)	6:00 – 7:00 pm	25%
Test 2:	October 14 (Wednesday)	6:00 – 7:00 pm	25%
Test 3:	November 02 (Monday)	6:00 – 7:00 pm	25%
Test 4:	November 18 (Wednesday)	6:00 – 7:00 pm	25%
Test 5:	December 10 (Thursday)	6:00 – 7:00 pm	25%

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 85% of the class enrollment (following the end of the drop period) receives A's or B's (split evenly between A's and 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 85%.

Students at the bottom of the distribution with a very poor weighted average scores (e.g., a weighted average score of less than 45%) will likely receive a final grade of F.

TESTS

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

TEST ACCOMMODATIONS AND CONFLICTS:

If you need additional time to complete a test 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 a test for another course that is scheduled at the same time as a scheduled test, you must notify your instructor (not your TA) by e-mail, no later than one week before the test. Your e-mail must include your complete class and test schedule for the day of the conflict. In those cases of an acceptable test conflict, arrangements will be made for you to take the test at an alternate time. Note that if such an arrangement has been made and you fail to attend the test at the arranged time, you will receive a grade of zero for the test. If your schedule changes such that you no longer have a "conflict" with the regularly scheduled test, you should notify your instructor by e-mail as soon as possible.

If you are in a different time zone that prevents you from taking a test at 6pm Eastern Time notify your instructor (not your TA) by e-mail, as soon as possible.

In other cases, documented (written) evidence that you were **seriously ill, or unavailable for some other reason**, at the scheduled time of a test is the only valid excuse for missing a test. In order to be excused from a test, you must email your instructor as soon as possible (prior to the test, if possible).

A job interview, your attendance at a social event, or participation in a sporting event are not sufficient reasons to miss a test.

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

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

RE-GRADES:

Occasionally, grading of tests will lead to mistakes, and I am eager to correct them subject to the following limits. If you believe that there was a *mistake* in the grading of your test, you must submit the original test (with no adjustments), and a *written explanation* of the points of contention. *within one calendar week following the return of the test*. If the re-grade request is made after one calendar week or without an accompanying explanation, no re-grade will be permitted. Because exams will be online this semester, I will fix the grading for all exams when a mistake is found.

All re-grade decisions are *final*.

WITHDRAWAL FROM THE COURSE:

I rarely 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 Monday, November 09, 2020.** Therefore, if you wish to withdraw after November 09, 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).

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.

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

1	Wed	2-Sep	Intro
2	Wed	9-Sep	Cost Concepts
3	Mo	14-Sep	Relevant Costs
4	Wed	16-Sep	CVP
5	Mo	21-Sep	Forrest Gump
6	Wed	23-Sep	Review
7	Thursday	24-Sep	Test I
	Mo	28-Sep	no class (moved the test due to Yom Kippur)
8	Wed	30-Sep	Cost Accounting
9	Mo	5-Oct	Joint Costs
10	Wed	7-Oct	Variable Costing
11	Mo	12-Oct	Review
			Drop deadline
12	Wed	14-Oct	Test II
13	Mo	19-Oct	Activity Based Costing
14	Wed	21-Oct	Capital Budgeting
15	Mo	26-Oct	Multi-period CVP
16	Wed	28-Oct	Review
17	Mo	2-Nov	Test III
18	Wed	4-Nov	Responsibility Accounting
19	Mo	9-Nov	Budgeting
			Withdrawal deadline
20	Wed	11-Nov	Performance Measurement
21	Mo	16-Nov	Review
22	Wed	18-Nov	Test IV
23	Mo	23-Nov	Variance Analysis
24	Mo	30-Nov	Berkshire Case
25	Wed	2-Dec	Cost Reduction with Private Information
26	Mo	7-Dec	tba
27	Wed	9-Dec	Review
28	Thursday	10-Dec	Test V