We prepare and inspire current and future leaders, and stimulate economic growth by providing quality learning opportunities, valuable research and professional service, all in partnership with the business community.

ACCT 405 Cost Management Systems

**Prerequisites:** ACC 211 and Junior in standing

**Section:** 0001  
**Instructor:** Stephen Hansen, Ph.D  
**Office Hours:** Thursday 4:00 – 5:00 pm and by appt.

**Spring 2021**

**Class Time:** Tues. 5:30 – 8:00 PM

**Email:** stephen.c.hansen@maine.edu

**Zoom Links**

The zoom link for class is

[https://maine.zoom.us/j/85601927862?pwd=MG5SY1VRcWVaN3RXWXR3YmYXc2RcVT09](https://maine.zoom.us/j/85601927862?pwd=MG5SY1VRcWVaN3RXWXR3YmYXc2RcVT09)

The zoom link for office hours is

[https://maine.zoom.us/j/85140874343?pwd=dU83NG9VeWJ3cnpuVT4TTi1VFFKQT09](https://maine.zoom.us/j/85140874343?pwd=dU83NG9VeWJ3cnpuVT4TTi1VFFKQT09)

**Brightspace**

This course will use Brightspace as the primary course website (i.e., homework manager is a second site but only used for homework and quizzes). It is your responsibility to use and monitor the information posted on the website in order to facilitate your performance in the course and to stay informed of any postings related to changes in the course (e.g., homework changes, reading changes, weather impacts).

**Required Materials**

**Textbook and Homework Software:**

Our publisher is offering a bundle of the on-line textbook and the homework software. You can purchase access to the on-line textbook and homework program from the USM bookstore. Select the following option from the USM bookstore website:
Once you obtain the Pearson access code, you sign up for the program by following the steps below (copied from Pearson)

Accessing Pearson’s MyAccountingLab

To register for ACC 405 Cost Management Systems Spring 2021 V2:

2. Under Register, select Student.
3. Confirm you have the information needed, then select OK! Register now.
4. Enter your instructor’s course ID: hansen71416, and Continue.
5. Enter your existing Pearson account username and password to Sign In. You have an account if you have ever used a MyLab or Mastering product.

If you don’t have an account, select Create and complete the required fields.
6. Select an access option.
Enter the access code that came with your textbook or that you purchased separately from the bookstore.

To sign in later:
2. Select Sign In.
3. Enter your Pearson account username and password, and Sign In.
4. Select the course name ACC 405 Cost Management Systems Spring 2021 V2 to start your work.

To upgrade temporary access to full access:
2. Select Sign In.
3. Enter your Pearson account username and password, and Sign In.
4. Select Upgrade access for ACC 405 Cost Management Systems Spring 2021 V2

Physical Textbook:

If you would like a physical copy of the textbook, I suggest going to Amazon and buying a used version. It is fairly expensive. The textbook is

Calculator: A standalone calculator will be required for exams. Cell phone calculators may not be used.

Course Withdrawal Dates:

Last Day to Withdraw for 100% refund is Sunday, February 7th
Last Day to drop for Grade “W” is Friday, March 26th

Course Description:

This course examines the accounting concepts and practices used in the recording, classifying and reporting of cost data. An analysis is made of the behavior of costs and its use to management in the planning and control process. Budgeting, standard cost, job order and process are examined, along with special problems in cost accounting.

Cost accounting is an important and rapidly changing area of accounting. Cost accounting measures the acquisition and consumption of resources. This information provides the basis for inventory valuation, planning, and control. Costing techniques are in a state of change because of the changing nature of competition (e.g., deregulation, global markets, innovation, short product and service lifecycles) and technology (e.g., new product and process technology, information systems, measurement systems).

This course will cover a variety of the basic concepts within traditional cost accounting topics. The first section of the course examines traditional concepts and methods of accumulating and then assigning costs. Costing systems like job order costing, variable costing, and standard costing are all used as systematic ways to accumulate and assign costs. The second section of the course covers decision oriented costing. Budgets and relevant costing are systematic methods to accumulate costing information to support decision making. The last section of this course covers cost management.

Costing systems evolve in response to the need for businesses to solve problems. With the high levels of competition, companies are managing their costs to affect profit. Contemporary practices such as activity-based costing, just-in-time accounting, lean accounting, and life cycling costing all have evolved and are evolving to assist companies to manage their costs and sustain their competitive position.

The accounting profession demands accountants with good problem solving, communication, and people skills. You can best develop these skills in this course by taking an active role in your learning of course-related concepts. In this course (as in your career), you are expected to take responsibility for your learning of new concepts. You will spend some class time working in groups. Working and learning as a group, you will use concepts from the assigned readings and from our class discussions and then apply them to structure and solve group problems.

It is important for you to develop a working knowledge of how costs are computed within an organization and how costs affect decisions. This course will focus on the general methods of how costs are computed and how they are used in managerial decision-making to
plan and control activities. You would do well to use this course as an opportunity to learn about costs and thus add a valuable skill to your skill set.

Based on my experience teaching this course, the keys to learning are: 1) attending class; 2) reading the assigned readings before class; 3) doing the assigned homework on time; 4) asking questions when something is not clear to you; 5) preparing for the examinations by allocating periods of time during the two weeks prior to each examination for studying. Fulfilling these keys is your responsibility as a student in this course. If you fulfill your responsibility then you will become more accounting literate. Further, the extent to which you have fulfilled your responsibility as a student in this course will be reflected in your performance in the course (i.e. your final grade). **You will receive the grade that you have earned in this course.**

**Course Objectives:**

Each student should attain a thorough understanding of the topics to be covered, and should be able to successfully explain and/or solve all material presented and assigned. This will be achieved by studying assigned reading and lecture material, and through repeated attempts at successfully solving assigned problems.

“Upon successful completion of this course, students will be able to apply various cost management techniques to enhance management decisions and improve the performance of an organization. Students will learn how to apply alternative costing methods and how to select the most appropriate technique to forecast and monitor costs”.

**Grading**

You earn the grade that you receive. Final grades are based on the distribution of final points which will consist of the following inputs:

- Quizzes (lowest dropped) 66.0%
- Case Write-up 10.0%
- Homework Assignments (MyAccountingLab) 24.0%
- Total 100.0%

**Grading System**

In determining grades, the following grade system is used:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Numerical Equivalent</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>93-100</td>
<td>4.00</td>
</tr>
<tr>
<td>A-</td>
<td>90-92</td>
<td>3.67</td>
</tr>
<tr>
<td>B+</td>
<td>87-89</td>
<td>3.33</td>
</tr>
<tr>
<td>B</td>
<td>83-86</td>
<td>3.00</td>
</tr>
<tr>
<td>B-</td>
<td>80-82</td>
<td>2.67</td>
</tr>
<tr>
<td>Grade</td>
<td>Percentage</td>
<td>Points</td>
</tr>
<tr>
<td>-------</td>
<td>------------</td>
<td>--------</td>
</tr>
<tr>
<td>C+</td>
<td>77-79</td>
<td>2.33</td>
</tr>
<tr>
<td>C</td>
<td>73-76</td>
<td>2.00</td>
</tr>
<tr>
<td>C-</td>
<td>70-72</td>
<td>1.67</td>
</tr>
<tr>
<td>D+</td>
<td>67-69</td>
<td>1.33</td>
</tr>
<tr>
<td>D</td>
<td>60-66</td>
<td>1.00</td>
</tr>
<tr>
<td>F</td>
<td>0-59</td>
<td>0.00</td>
</tr>
</tbody>
</table>

**Note:** Minimum passing grade is C for this course.

**Class Attendance:**

There will be 13 regular class sessions. There is one case during regular class sessions. Many students think that accounting is all about numbers and compare it to taking a math course. An accounting course is like a math course in that if you do not attend class and keep up then it becomes difficult to pass the course. I want all of you to experience the conditions that are necessary to have success in this course and attendance is one of those conditions. I know it is sometimes difficult to commute to class but to avoid disruptions, please allow time to arrive on time. At the beginning of class I will make announcements and go over any questions that you may have so it is important that you be present.

An accounting course is also like a math course because each step assumes that you have a general understanding of the prior step. An accounting course is unlike a math course because accounting is all about relationships and not about numbers. We will do some math in this class (e.g., addition, subtraction, division, and multiplication). Please focus on learning and understanding the concepts and the relationships among concepts because it is those relationships that determine the numbers.

**Homework:**

I will assign homework problems in MyAccountingLab after each class along with the due date. If you are routinely doing the homework then you will be contributing to your ability to achieve your goal in terms of a grade in this course. For a class in which homework should have been completed I will answer any and all questions about the homework. If your homework is submitted late, it will not be graded and you will receive a zero! I fully expect that you will have completed your homework assignment and you and your classmates will have questions about the homework, in which I will be happy to go over specific problems or questions in class.

If you are having problems with the homework or the course in general then you need to be doing several of the following things: 1) ask me questions in class; 2) make an appointment to see me if my office hours are not well suited to your schedule; 3) contact me by phone or email; 4) do not wait; We are all lifelong learners so asking questions, not seeking help when you need it, and experiencing some levels discomfort are normal. Further, as a college student if you are having problems and not pursuing these actions, you will hamper your learning and will not be getting the most value for your investment in time and money in taking this college course!
Quizzes:

There are no examinations in this course, rather there are twelve quizzes each with an exam-level question. There are several reasons for this approach. First, it requires that you keep up with the course and homework. You will be unable to answer the quiz questions without reading the chapter and doing the homework. The second reason is that you will be given frequent, comparatively low point feedback to keep you on track. Each quiz is worth six percent of your grade.

Research has provided evidence that a good night’s sleep prior to an assessment increases performance. You should use the learning objectives and homework questions and problems as a road map for what to expect on the quiz. Focus on learning the concepts and the relationships among the concepts and you will do fine.

If you come up with questions during the process of your quiz preparation then please contact me in person, by phone or by email. I would much rather hear from you before the quiz when I can be of assistance than to hear from you after the quiz when there is nothing I can do about your performance on the quiz. After the quiz, I can only help you by offering suggestions for improving your performance on the next quiz. Please be sure to bring a calculator to each quiz.

Quizzes must be taken during the time period scheduled. Absences from a scheduled quiz without prior approval may result in a grade of zero. Approval to be absent from a quiz will only be granted in cases of personal emergency or illness. Written verification may be required. Generally, there are no early or make-up quizzes. The quizzes are posted well in advance so plan accordingly and mark the dates in your calendar.

After the first week, quizzes will be given in the first twenty-five (25) minutes of class. Please log into the Pearson website, take the quiz, then move to the class zoom. On a quiz day, lecture will begin 30 minutes after the scheduled start of class, at 6:00 p.m.

Case:

There is one case assigned during the class. Students will be responsible for preparing a case solution/write-up following the directions given in the case. The case write-up is due at the start of the class in which the case is assigned. Please keep a copy of the case write-up since your answers will be the basis for the class discussion. All students in a group will receive the same grade, so choose your group members carefully.

Snow and Covid Days

Our class is on-line, so snow days should not affect the class schedule. If a student or the Professor catches Covid, then we will follow the University policy for students (Professors) contracting an illness.
University Policies and Resources

DISABILITY ACCOMMODATIONS
The university is committed to providing students with documented disabilities equal access to all university programs and services. If you think you have a disability and would like to request accommodations, you must register with the Disability Services Center. Timely notification is essential. The Disability Services Center can be reached by calling 207-780-4706 or by email dscusm@maine.edu. If you have already received a faculty accommodation letter from the Disability Services Center, please provide me with that information as soon as possible. Please make a private appointment so that we can review your accommodations.

TUTORING AND WRITING ASSISTANCE
Tutoring at USM is for all students, not just those who are struggling. Tutoring provides active feedback and practice, and is available for writing, math, and many more subjects. Walk-in tutoring is available at the Glickman Library in Portland, the Gorham Library, and the LAC Writing Center. For best service, we recommend making an appointment at https://usm.maine.edu/learningcommons/schedule-tutoring-appointment. Questions about tutoring should be directed to Naamah Jarnot at 207-780-4554. Interested in becoming a more effective, efficient learner? Check out https://usm.maine.edu/agile!

COUNSELING
Counseling is available at USM. The best way to schedule an appointment is by phone at 780-5411. More information is available at https://usm.maine.edu/uhcs.

RECOVERY ORIENTED CAMPUS CENTER (ROCC)
A peer support community for students in recovery from substance abuse and other mental health conditions is available at USM. More information may be found online at https://usm.maine.edu/recovery or by containing ROCC at 207-228-8141.

NONDISCRIMINATION POLICY AND BIAS REPORTING
The University of Southern Maine is an EEO/AA employer, and does not discriminate on the grounds of race, color, religion, sex, sexual orientation, transgender status, gender expression, national origin, citizenship status, age, disability, genetic information or veteran’s status in employment, education, and all other programs and activities. The following person has been designated to handle inquiries regarding non-discrimination policies: Amie Parker, Interim Director of Equal Opportunity, The Farmhouse, University of Maine Augusta, Augusta, ME 04333, 207.581.1226, TTY 711 (Maine Relay System). Incidents of discrimination or bias at USM should be reported to Associate Vice President for Student Affairs David Roussel at 207-780-5242.

STATEMENT ON RELIGIOUS OBSERVANCE FOR USM STUDENTS
Absence for Religious Holy Days: The University of Southern Maine respects the religious beliefs of all members of the community, affirms their rights to observe significant religious holy days, and will make reasonable accommodations, upon request, for such observances. If a student’s religious observance is in conflict with the academic experience, they should inform their instructor(s) of the class or other school functions that will be
affected. It is the student’s responsibility to make the necessary arrangements mutually agreed upon with the instructor(s).

**TITLE IX STATEMENT**

The University of Southern Maine is committed to making our campuses safer places for students. Because of this commitment, and our federal obligations, faculty and other employees are considered mandated reporters when it comes to experiences of interpersonal violence (sexual assault, sexual harassment, dating or domestic violence, and stalking). Disclosures of interpersonal violence must be passed along to the University’s Deputy Title IX Coordinator who can help provide support and academic remedies for students who have been impacted. More information can be found online at [http://usm.maine.edu/campus-safety-project](http://usm.maine.edu/campus-safety-project) or by contacting Sarah E. Holmes at sarah.e.holmes1@maine.edu or 207-780-5767.

If students want to speak with someone confidentially, the following resources are available on and off campus: University Counseling Services (207-780-4050); 24 Hour Sexual Assault Hotline (1-800-871-7741); 24 Hour Domestic Violence Hotline (1-866-834-4357).

**POLICY ON ACCEPTABLE CONDUCT IN CLASS SETTINGS**

If a student substantially disrupts a class, the professor may ask the student to align with this policy on conduct in a class setting. If the student refuses, the professor may, at their discretion, ask the student to leave. If the professor takes this step, they must attempt to communicate with the student and provide informal counsel and advice. The professor may elect to notify their dean of the situation as well. If the student disrupts the class again, the professor may, at their discretion, provide a written notification to the student, describe the offending behavior, and refer the student’s case to the appropriate academic dean and notify the dean of students that an official student conduct code violation has occurred [https://usm.maine.edu/community-standards-mediation/conduct-process](https://usm.maine.edu/community-standards-mediation/conduct-process).

**COVID FACE COVERING REQUIREMENT**

Per USM and the University of Maine System, all students, faculty, and staff members are required to wear a face covering, including during all face-to-face classes. Resident students are exempted from this requirement when in their own room in the residence hall. Students seeking additional exceptions from this requirement should refer to the DISABILITY ACCOMMODATIONS section of this syllabus. [https://www.maine.edu/together/community-guidance/everyone/](https://www.maine.edu/together/community-guidance/everyone/)

**Course Outline:**

The reading assignment listed under the heading “Reading” should be read prior to the class under which it is listed. Homework assignments listed under the heading “Homework” and are due the following class. Remember, the homework assignment is to be completed in MyAccountingLab. I reserve the right to change the sequence of assigned chapters. These changes will be announced in class and then posted on the Blackboard.
### Tentative Class Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Class</th>
<th>Topic</th>
<th>Reading</th>
<th>Homework</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/26</td>
<td>Class 1</td>
<td>Introduction to Management Accounting, Costs Terms, and Concepts;</td>
<td>Ch 1 &amp; 2;</td>
<td>Posted in MyAccountingLab</td>
</tr>
<tr>
<td>2/2</td>
<td>Quiz 1</td>
<td>Cost –Volume-Profit Analysis</td>
<td>Ch. 3</td>
<td>Posted in MyAccountingLab</td>
</tr>
<tr>
<td>2/9</td>
<td>Class 3</td>
<td>An extension of Cost-Volume-Profit Analysis</td>
<td>Golden State Elixers</td>
<td>A write-up of the questions in the case is due at the start of class.</td>
</tr>
<tr>
<td>2/16</td>
<td>Quiz 2</td>
<td>Job Costing</td>
<td>Ch 4.</td>
<td>Posted in MyAccountingLab</td>
</tr>
<tr>
<td>2/23</td>
<td>Class 5</td>
<td>Activity-Based Costing and Cost Management</td>
<td>Chapter 5</td>
<td>Posted in MyAccountingLab</td>
</tr>
<tr>
<td>3/2</td>
<td>Quiz 4</td>
<td>Budgets</td>
<td>Ch 6.</td>
<td>Posted in MyAccountingLab</td>
</tr>
<tr>
<td>3/9</td>
<td>Class 7</td>
<td>Standard Costing and Flexible Budget Variance Analysis</td>
<td>Chapter 7 &amp; 8. Skip the journal entries (pp. 262-264) and Appendix A in Chapter 7. Skip the journal entries (pp. 300-302) in Chapter 8.</td>
<td>Posted in MyAccountingLab</td>
</tr>
<tr>
<td>3/16</td>
<td>Quiz 6</td>
<td>Cost Allocation, Customer-Profitability Analysis, and Sales-Variance Analysis</td>
<td>Chapter 14</td>
<td>Posted in MyAccountingLab</td>
</tr>
<tr>
<td>Date</td>
<td>Quiz</td>
<td>Class</td>
<td>Topic</td>
<td>Reading</td>
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<td>--------</td>
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</tr>
<tr>
<td>3/23</td>
<td>Quiz 7</td>
<td>Class 9</td>
<td>Allocation of Support-Department Costs, Common Costs, and Revenues</td>
<td>Chapter 15</td>
</tr>
<tr>
<td>3/30</td>
<td>Quiz 8</td>
<td>Class 10</td>
<td>Cost Allocation: Joint Products and Byproducts</td>
<td>Chapter 16</td>
</tr>
<tr>
<td>4/6</td>
<td>Quiz 9</td>
<td>Class 11</td>
<td>Process Costing</td>
<td>Chapter 17</td>
</tr>
<tr>
<td>4/13</td>
<td>Quiz 10</td>
<td>Class 12</td>
<td>Spoilage, Rework, and Scrap</td>
<td>Chapter 18</td>
</tr>
<tr>
<td>4/20</td>
<td>Quiz 11</td>
<td>Class 13</td>
<td>Transfer Pricing</td>
<td>Chapter 22</td>
</tr>
<tr>
<td>4/27</td>
<td>Quiz 12</td>
<td></td>
<td></td>
<td></td>
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