AEM 3230
Managerial Accounting
Winter Term 2017

General Information:

<table>
<thead>
<tr>
<th>Staff</th>
<th>Room</th>
<th>Email</th>
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</thead>
<tbody>
<tr>
<td>Instructor: Zeshawn Beg, DBA, CMA</td>
<td>WRN 310G</td>
<td>zb73</td>
</tr>
<tr>
<td>Administrative Assistant: Suzanna Rehner</td>
<td>WRN 201</td>
<td>sr726</td>
</tr>
<tr>
<td>Teaching Assistant: tbd</td>
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Format: Distance-learning, 4 weeks (12/26/2016 – 01/21/2017) [EST Time Zone]

Instructor Office Hours: By email (reply within 12 hours)

Prerequisites: AEM 2210/2225 or Instructor’s approval

Objectives of the Course:

Managerial Accounting is not guided by a single set of rules like Financial Accounting is guided by Generally Accepted Accounting Principles (GAAP). Instead, managers must understand a broad set of analytical tools and selectively apply those tools to address the specific decisions and situations they face.

This course provides an introduction to the basic concepts, analyses, uses, and procedures of accounting and control used by internal company managers when they are faced with planning, directing, controlling, and decision-making activities in their organization.

Topics covered focus on the relationship between strategy and decision-making and include product and service costing, budget setting, decision-making, profitability analysis, pricing, investment analysis, management control systems, and performance measurement.
Course Materials:

Website: The web page URL address is: http://blackboard.cornell.edu. All students will automatically be enrolled in the course Blackboard web site to ensure that they have access to the course material available at the site (e.g. announcements, the syllabus, lecture slides, demo problems, exam prep questions, extra resources, and manual homework assignments).


MyAccountingLab (MAL): Pearson’s text website. Required; accessed through Blackboard

NOTE that we will only cover chapters 1-6, 11-13 & 21-23 in this Managerial Accounting course (the other chapters will be covered in a follow-on Cost Accounting course).

NOTE: Always double-check that you’re looking at the right chapter. The custom book’s chapter #s will not always match the #s in the standard text or MyAccountingLab. E.g. “Chapter 7(11)” means chapter 7 in the custom book which is chapter 11 in the standard book.

Option 1: Purchase a new book, which includes access to MAL (use your book’s code when logging on to MAL from Blackboard)
Option 2: Purchase online access to MAL (through Blackboard) with eBook
Option 3: Acquire used book and purchase online access to MAL

(The Cornell bookstore does not stock books for this online course. Use Amazon or the publisher’s website to order a hard copy.)

Lecture Packet: Lecture packet material will be available on the course website. It is highly advised that you have printouts when listening to lectures.

AEM Learning Goals:

• Develop effective communication skills in finance
• Attain analytical and functional competency in basic business and economic skills
• Demonstrate working knowledge of ethics and ability to apply to real world settings
• Demonstrate ability to solve practical business problems and make an impact in real world and society
• Develop skills to be critical consumers of business information and research
Grading:

The following weights will be applied in determining your final grade:

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
<th>Weight%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher of Prelim and Final Exam</td>
<td>450</td>
<td>45%</td>
</tr>
<tr>
<td>Lower of Prelim and Final Exam</td>
<td>350</td>
<td>35%</td>
</tr>
<tr>
<td>Manual Homework (10 of 12)</td>
<td>100</td>
<td>10%</td>
</tr>
<tr>
<td>Online Homework (10 of 12)</td>
<td>50</td>
<td>5%</td>
</tr>
<tr>
<td>Discussion Board Participation</td>
<td>50</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total Points Available</strong></td>
<td><strong>1,000</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Your course % will be determined by rounding your points earned (out of 1000) up to the next whole % (e.g. 861 points = 87%). The final grading scale is as follows:

<table>
<thead>
<tr>
<th>%</th>
<th>A+</th>
<th>87%</th>
<th>B+</th>
<th>77%</th>
<th>C+</th>
<th>67%</th>
<th>D+</th>
<th>0%</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>97%</td>
<td>A</td>
<td>83%</td>
<td>B</td>
<td>73%</td>
<td>C</td>
<td>63%</td>
<td>D</td>
<td>0%</td>
<td>F</td>
</tr>
<tr>
<td>93%</td>
<td>A-</td>
<td>80%</td>
<td>B-</td>
<td>70%</td>
<td>C-</td>
<td>60%</td>
<td>D-</td>
<td>0%</td>
<td>F</td>
</tr>
</tbody>
</table>

Recorded Lectures:

There will be recorded lectures for each chapter. Each chapter’s material will be broken up into several videos. Lectures will highlight and supplement the material in each topic area, including covering practice problems.

Discussion Board:

The Blackboard discussion board will be a critical avenue for questions. Using the discussion board will enable your questions to help all students better understand the material. Professor Beg and the TA will monitor the discussion board on a daily basis.
Assignments:

There are 3 types of recurring assignments for each chapter. For each type of assignment your best 10 scores (out of 12 chapters) will count towards your final grade. **Since you get 2 “freebies” on each there will be no re-dos, no extensions and no late assignments accepted.**

1. **ONLINE HOMEWORK:**

   The Online Homework is launched from the “Assignments” section in MyAccountingLab. Each assignment will take approximately 60 minutes to complete.

   I recommend completing the Online Homework before attempting the Manual Homework.

   **NOTE:** MyAccountingLab provides several tools to check your work and provide assistance when completing the Online Homework. The intent of these assignments is to verify that you have established a foundational understanding of the material.

2. **MANUAL HOMEWORK:**

   The Manual Homework problems are posted on Blackboard. Answers to manual homework assignments will be posted on Blackboard after the due date. Each assignment will take you approximately 60 minutes to complete (not including time to review material).

   **Grading Rubric:**
   - 5-6 points: Readable but significantly lacking effort or understanding
   - 7-8 points: Conceptual errors or pervasive calculation errors
   - 9-10 points: Perfect or only minor calculation errors

   To submit the manual homework via Blackboard you can do any of the following:
   - Complete it on your computer, print it to PDF, and attach it to the Assignment
   - Complete it by hand, scan it or neatly photograph it, print to PDF (combine multiple PDFs to one file), and attach it to the Blackboard Assignment

   TA comments will be attached to the assignment in Blackboard after it is graded.

   **NOTE:** Manual Homework problems are more difficult than class practice. The intent of these assignments is to stretch your intellectual muscles. The TA and I are here to help!

3. **DISCUSSION PARTICIPATION:**

   In the on-campus course, students meet in weekly sections. They then receive section points for their ongoing participation and their contributions to the learning environment. In the online course, we use the discussion board in the same manner. For every chapter, the Professor will post a few questions to stimulate discussion. You will be evaluated on the degree to which your comments are relevant and add to the discussion.
**Exams:**

There will be two non-cumulative exams during the session. While the exams are not technically cumulative, the material for the course builds on itself. Therefore, it is important to understand the material from earlier chapters to understand the material in later chapters.

In accordance with University policy, you must see the instructor prior to registering for the course if you are going to have a conflict with the FINAL exam time. Make-up exams are at the discretion of the professor and are only available for students with direct Cornell exam conflicts or written medical excuses. Students must make arrangements with the TA **at least 1 week prior** to the scheduled prelim exam time.

**Exams will be administered online via MyAccountingLab** during a 2-hour time window. The exam questions and answer choices will be randomly ordered for each student and some exam questions will be “pooled” (i.e. different students will receive similar but different questions on the same topic).

The examinations will test your knowledge of specific definitions and facts, your understanding of Managerial Accounting theory, and your ability to solve analytical problems. You will be responsible for all material covered in lectures, on the discussion board and in assignments. Exams are open book and open notes and will be longer than the closed-book exams administered during the regular school year.

**Re-grading of Exams and Assignments:**

If you want an exam or assignment re-graded because of a grading error, submit the paper with a **written request** specifying exactly why your answer is correct, with any supporting documents **within one week** of the assignment was returned. These requests should be turned in to the TA. **BEWARE:** Your entire exam or assignment will be re-graded.

**Extra-credit Policy:**

I put more grading weight on your better exam score; drop the lowest 2 scores for each type of chapter assignment; and round final grade percentages up so there are no more opportunities for extra credit.

**Students with Disabilities:**

It is Cornell policy to provide reasonable accommodations to students who have a documented disability (e.g., physical, learning, psychiatric, vision, hearing, or systemic) that may affect their ability to participate in course activities or to meet course requirements. Students with disabilities are encouraged to contact Student Disability Services and their instructors for a confidential discussion of their individual need for academic accommodations. Student Disability Services is located in 420 CCC. Staff can be reached by calling 607.254.4545. If you have a disability that requires special testing accommodations
or other modifications, please notify Suzanna Rehner (sr726) by no later than the second week of classes. We will do our best to accommodate you in any way.

**Incompletes:**

The University policy on incompletes is as follows: The grade of *Incomplete* is allowed in the *College of Agriculture* only when two basic conditions are met: (1) The student has a substantial equity at a passing level in the course with respect to work completed; and (2) the student has been prevented by circumstances beyond the student's control, such as illness or family emergency, from completing all of the course requirements on time.

A grade of *Incomplete* may not be given merely because a student fails to complete all course requirements on time. It is not an option that may be elected at the student's own discretion or at the faculty member's discretion.

While it is the student's responsibility to initiate a request for an *Incomplete*, reasons for requesting it must be acceptable to the instructor and meet the above-stated College policy. The professor establishes specific make-up requirements. An *Incomplete* allows a specified amount of time, determined by the student's college of registry, for completing course work. The instructor has the option of setting a shorter time limit than that allowed by the student's college. CALS requires that a statement signed by the instructor be on file indicating the reason for the *Incomplete* and the restriction, if any. If an Incomplete is not made up as required, a failing grade will be submitted.

**Teamwork:**

Students enrolled in this class should feel that they are members of a team that is working toward the same goal and collaborate rather than compete (even if we never meet in person). It is allowed and advised to discuss the material and the class assignments with each other. Do as much as you can alone to develop independent thinking, but do not hesitate to ask questions of your fellow classmates, the staff, and the professor (either directly or through the discussion board). Never refuse to help your classmates because you believe it will harm your grade. That being said…

**Academic Integrity:**

Each student in this course is expected to abide by the Cornell University Code of Academic Integrity. Under the provisions of the Code, anyone who gives or receives unauthorized assistance in the preparation of work at home or during tests in class will be subject to disciplinary action. Your name on any piece of work is our assurance that you have neither given nor received any unauthorized help in its preparation. You may assist each other on homework assignments by answering questions and explaining accounting concepts. However, you should not allow another student to copy your work directly.

Assisting each other on exams is prohibited. Sharing or publicizing course material to those individuals not already privy to the material is prohibited.
All University policies with respect to cheating will be enforced. A student who is found to have cheated on an exam will receive an “F” in the course.
Professor Beg’s (Teaching) Philosophy:

- Professional maturity is paramount: Formality is not required but being good-natured is.
- Don’t “second guess” yourself. Do “pressure test” yourself.
- Use all your resources but use them judiciously.
- Don’t overestimate “your best.” Don’t underestimate “your best.”
- Practice doesn’t make perfect: Practice makes passable; Reflection makes perfection.

Planning for Success:

Since Managerial Accounting is often situation-specific (i.e. occasionally ambiguous and arguable) it can be confusing and frustrating, even for students who did very well in Financial Accounting. The upside to facing the challenge in this course is that you should find it marginally less confusing and frustrating when you are in the working world.

I recommend the following steps to manage the confusion of Managerial Accounting:
- Take notes while you read the material
- Update your notes after lecture and section
- Instead of re-reading the material three times if it doesn’t stick, talk to other students, TAs and/or the professor about the material
- When considering multiple-choice questions: Why are the wrong answers are wrong? What would need to be changed about the question or answers to make it right?

Preparing for an exam:
- Rereading the books and your notes has a low ROI.
- Reformat or use different media to translate material: speech vs. prose vs. outlines.
- Try to answer the “Decision Points” summary questions at the end of each chapter.
- Draw out a map of how the topics from different chapters relate to each other.
- For practice, instead of completing 4 long problems do 10 short problems or look at many problems and just set up the work (without completing all the calculations).
- Complete chapters’ “Dynamic Study Modules” to check your recollection.

**NOTE MyAccountingLab has a “Study Plan” feature and “Dynamic Study Modules”. You are encouraged (but not required) to use these functions to track your progress and identify and work on topics that cause you difficulty.**

I recommend the following chapter schedule to be successful in the course:
- Review prior Chapter’s Material: = 0.5 hour
- Read the Chapter: ~25 pages x ~4 min/page = 1.5 hours
- Dynamic Study Module: = 1 hour
- Lecture Recordings: 1-hour x 2 = 2 hours
- Section Practice Problems: = 1 hours
- Online Homework: = 1 hour
- Manual Homework: = 1 hour
- TOTAL: = 8 HOURS
# AEM 3230 Managerial Accounting
## Online Class Schedule

<table>
<thead>
<tr>
<th>Day</th>
<th>Date</th>
<th>Chapter Due</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mon</td>
<td>12/26</td>
<td>--</td>
<td>Class Begins</td>
</tr>
<tr>
<td>By Thu</td>
<td>12/29</td>
<td>Ch 1 (1)</td>
<td>The Manager and Management Accounting</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ch 2 (2)</td>
<td>An Introduction to Cost Terms and Purposes</td>
</tr>
<tr>
<td>By Mon</td>
<td>01/02</td>
<td>Ch 3 (3)</td>
<td>Cost-Volume-Profit Analysis</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ch 4 (4)</td>
<td>Job Costing</td>
</tr>
<tr>
<td>By Fri</td>
<td>01/06</td>
<td>Ch 5 (5)</td>
<td>Activity-Based Costing and Activity-Based Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ch 6 (6)</td>
<td>Master Budget and Responsibility Accounting</td>
</tr>
<tr>
<td>Saturday</td>
<td>01/07</td>
<td>--</td>
<td>PRELIM: Ch 1-6 : 6:00pm-8:00pm</td>
</tr>
<tr>
<td>By Thu</td>
<td>01/12</td>
<td>Ch 7 (11)</td>
<td>Decision Making and Relevant Information</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ch 8 (12)</td>
<td>Strategy, Balanced Scorecard, and Strategic Profitability Analysis</td>
</tr>
<tr>
<td>By Mon</td>
<td>01/16</td>
<td>Ch 9 (13)</td>
<td>Pricing Decisions and Cost Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ch 10 (21)</td>
<td>Capital Budgeting and Cost Analysis</td>
</tr>
<tr>
<td>By Fri</td>
<td>01/20</td>
<td>Ch 11 (22)</td>
<td>Management Control Systems, Transfer Pricing, and …</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ch 12 (23)</td>
<td>Performance Measurement, Compensation, and …</td>
</tr>
<tr>
<td>Saturday</td>
<td>01/21</td>
<td>--</td>
<td>FINAL EXAM: Ch 7-9 (11-13), 10-12 (21-23) : 6:00pm-8:00pm</td>
</tr>
<tr>
<td>Saturday</td>
<td>01/21</td>
<td>--</td>
<td>Class Ends</td>
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</tbody>
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**Notes:**
- Chapter “x (y)”: “x” is the # in the custom book (1-12) and “y” is the # in the standard book (1-6, 11-13, 21-23).
- All assignments are due at 11:59pm EST on the due date.
- Accessing material:
  - Always start in Blackboard (BB)
  - eText: BB tools → MyAccountingLab
  - Dynamic Study Module: BB tools → MyAccountingLab → “Assignments” Section
  - Online Homework: BB tools → MyAccountingLab → “Assignments” Section
  - Manual Homework: BB Assignments