

EIND 373 – Production & Inventory Cost Analysis Spring 2012 Syllabus

Instructor:	Bruce Zignego	Class Schedule:
Office:	112 Roberts Hall	MWF
Phone:	360.823.6919	3:10pm – 4:00pm
E-mail:	bruce.zignego@montana.edu	224 AJM
Office Hours:	MWF 4:00pm – 5:00pm and by appointment	
Text:	<u>Survey of Accounting, Fifth Edition</u> , by Carl S. Warren	

Course Objectives

EIND 373 is designed to give the engineering student an overview of the accounting processes used in manufacturing and service businesses today. The focus is not how to do accounting, but how to use accounting. Understanding topics such as the relationship between assets, liabilities, and equity; budgeting; break-even analysis; financial statement analysis; and internal controls will contribute to any engineer's success. This course is intended to give a practical look at how the accounting discipline is utilized, as well as give the student basic knowledge of how to use accounting information to perform various job functions.

Key Focus Areas

- The Accounting Equation and Balancing Assets, Liabilities, and Owner's Equity
- Analyzing Financial Statements
- Using Accruals
- Application of Accounting When Purchasing or Selling Items
- Providing Adequate Internal Controls to Eliminate Fraud and Loss
- Accounting for Receivables and Inventory
- Managing Assets Purchases, Depreciation, and Disposition
- Understanding Company Financing Activities
- Analyzing Manufacturing Costs
- Job Order and Activity Based Costing Systems
- Break-Even Analysis
- Product Pricing Concepts and Application to Manufacturing or Service Industries
- Budgeting and Standard Cost Systems
- Capital Investment Analysis
- Cost Allocations for Decentralized Operations

Course Structure and Elements

EIND 373 employs five major components to learning as described below. These are designed to provide a base of knowledge with emphasis on self-directed learning by the student. In-class activities are designed to clarify concepts and provide learning opportunities. Routine class participation will contribute to a solid base of learning, but true mastery of the material will be a result of diligence in completing the self-directed learning aspects of the course.

Self-Directed Learning: The student will be encouraged to perform the following tasks for each chapter to stimulate individual learning and prepare for quizzes and exams.

Text Readings: The schedule defines pages to study prior to each class period. Class lectures will be brief and class activities will be designed to get the students involved in applying the reading concepts. The student should understand the Key Points and Glossary Terms at the end of each chapter.

Self-Examination Questions: At the end of each chapter in the text, there is a short self-examination that the student should complete outside of class as a study aid. *These questions will be a source for problems on exams.*

Class Discussion Questions: The student should answer the assigned questions at the end of each chapter to develop a deeper understanding of the course material. *These questions will also be a source for problems on exams.*

Homework: As each chapter is introduced, a list of some of the discussion questions and some homework problems will be given to the student. The student should answer these questions and work the problems to explore the types of concepts that will be covered on the exams. The problems will be selected to reinforce the chapter learning objectives and provide practice for exams.

In-Class Activities: A variety of learning experiences will be available to students to reinforce learning objectives for each section of the course. Lectures will consist of a short overview, much of class time will be spent working and analyzing various business situations and problems. This will include group activities which will provide an opportunity to learn from one another.

Evaluation Elements of the Course: The following elements will be used to evaluate the learning accomplished by the student:

Homework: Assigned exercises and problems will be graded on a weekly basis. Homework will be due every Friday at class unless otherwise stated.

Projects – There will be five projects assigned throughout the course. These will be open-ended problems that will require critical thinking and application of course concepts.

Exams – There will be four exams including the final. These in-class exams will cover the modular groups of the text material. Exams will have quantitative and qualitative problems, testing both the depth of understanding of the material and the ability to solve problems in a business environment. 20% of the fourth and final exam will be comprehensive of the material for the entire course.

Modular Structure of Concepts

The class work is broken into 4 modules, each including class activities, homework assignments, one or two projects, and an exam. Students who are diligent in the self-study elements will likely perform at a higher level on exams than the students who are cursory in their preparation. The module topics and chapters covered are listed below.

Module Title	Topics Covered	Chapters	Exam Date
1 – Basic Accounting Concepts	The basic accounting equations and methods of presenting data will be explored along with methods for control of cash	1, 2, 3, 4 & 5	Feb. 10
2 – Financial Analysis	Accounting for income, expenses, assets, and liabilities. Analyzing for management effectiveness.	6, 7, 8 & 9	Mar. 7
3 – Using Accounting to Help Decisions	Evaluating costing systems and how to analyze daily operating decisions.	10, 11 & 12	Apr. 4
4 – Budgeting and Organizational Structures	Exploring the process of budgeting and establishing the correct accounting structure for various businesses.	13, 14 & 15	May 2

Projects

The five projects listed below will aid overall student comprehension and application of the course concepts. Projects will be less structured and more open-ended than exams, but will still require a thorough understanding of the course concepts in order to apply them effectively. Projects will be designed to have a certain amount of ambiguity and non-relevant information that must be sorted through to come up with a good solution.

Project Title	Assignment Description	Date Assigned	Date Due
Personal Financial Statements	Students will be required to build a set of financial statements based on their personal assets, liabilities, and equity.	Jan. 24	Feb. 3
Fraud Prevention	A hypothetical situation will be given to students that will require fraud detection and prevention policies to be established.	Feb. 9	Feb. 22
Business Investment Analysis	Students will be asked to research information about a company of their choice and make an investment recommendation based on their financial analysis.	Feb. 28	Mar. 21
Ethics	Students will be given a number of different ethical situations and responses and justifications will be requested.	Mar. 25	Mar. 30
Budgeting	Students will be given a company situation and asked to develop a budget with supporting justification for decisions.	Apr. 08	Apr. 23

Grading

The primary method of instruction for this course is lecture, class exercises, discussion, and assignments. This will prepare each student for homework, exams, and projects that will be used for grading in this course. Participation in the form of regular class attendance, completion of the readings and assignments, and asking questions are essential for your success in this course.

Additional information:

- Homework is due on Friday of each week at class unless otherwise stated. Late homework will have one letter grade deducted per day of being late. After 3 days the best grade achievable will be a D. The 3 lowest homework grades will be dropped.
- In the unusual event that you cannot take an exam per the class schedule, you must notify the instructor prior to the exam. You must take a make-up exam as soon as possible.
- Bonus points may be awarded based on attendance and class participation.

Grading will be on the following basis:

Homework (drop 3 lowest scores)	150 points
Exams	450
Projects	<u>100</u>
Total	700 points

A 90-80-70 (and +/-) grading scale will be used.

Attendance

Students are encouraged and expected to attend every class and complete each assignment in a timely manner. In the event that a student must miss a class, proper communication is expected beforehand. Work can be made up for excused absences.

Student Conduct Code

“All students are expected to abide by the Student Conduct Code and Academic Integrity Guidelines available at http://www2.montana.edu/policy/student_conduct/. Paraphrasing or quoting another’s work without citing the source is a form of academic misconduct. Even inadvertent or unintentional misuse or appropriation of another’s work (e.g. relying heavily on source material that is not expressly acknowledged) is plagiarism. If you have any questions about using and citing sources, please ask me for clarification.”

Accommodations for Disabilities

“If you have a documented disability for which you are or may be requesting an accommodation(s), please let me know as soon as possible. Please also contact Disabled Student Services (DSS) at 994-2824. You can find additional information about accommodations provided through DSS at www.montana.edu/wwwres.”

Email

“All MSU students are required to have email for official correspondence, including course information. Such correspondence will be sent to your official MSU email, which is yourfirstname.yourlastname@myportal.montana.edu. Please set your spam filter so that it permits emails from the course listserv, and check your email daily.”

EIND 373 – Production & Inventory Cost Analysis Class and Assignment Schedule Spring Semester 2012

Date	Assignment	Topic
Jan 11	W Class begins	Class Introduction / Syllabus Review Appendix A, Double Entry Accounting
13	F Read Chapter 1	The Role of Accounting in Business
16	M Martin Luther King Holiday; no classes	
18	W continue Chapter 1	
20	F Read Chapter 2	Basic Accounting Concepts
23	M continue Chapter 2	<i>Assign Project #1 – Personal Financial Statements</i>
25	W Read Chapter 3	Accrual Accounting Concepts
27	F continue Chapter 3	
30	M continue Chapter 3	
Feb 01	W Read Chapter 4	Accounting for Merchandising Businesses
03	F continue Chapter 4 Project #1 due	
06	M continue Chapter 4	
08	W Read Chapter 5	Sarbanes-Oxley, Internal Control, and Cash <i>Assign Project #2 – Fraud Prevention</i>
10	F Exam #1 – Chapters 1, 2, 3, 4, & 5	
13	M Read Chapter 6	Receivables & Inventories
15	W continue Chapter 6	
17	F Read Chapter 7	Fixed Assets and Intangible Assets
20	M President's Day Holiday; no classes	
22	W continue Chapter 7 Project #2 due	
24	F Read Chapter 8	Liabilities and Stockholders' Equity
27	M continue Chapter 8	<i>Assign Project #3 – Business Investment Analysis</i>
29	W continue Chapter 8	
Mar 02	F Read Chapter 9	Financial Statement Analysis

Date	Assignment	Topic
Mar 05 M	continue Chapter 9	
07 W	Exam #2 – Chapters 6, 7, 8, & 9	
09 F	Read Chapter 10	Accounting Systems for Manufacturing Business
Mar 12-16	Spring Break	
19 M	continue Chapter 10	
21 W	continue Chapter 10 Project #3 due	
23 F	Read Chapter 11	Cost Behavior and Cost-Volume-Profit Analysis <i>Assign Project #4 – Ethics</i>
26 M	continue Chapter 11	
28 W	continue Chapter 11	
30 F	Read Chapter 12 Project #4 due	Differential Analysis and Product Pricing
Apr 02 M	continue Chapter 12	
04 W	Exam #3 – Chapters 10, 11, & 12	
Apr 06 F	Read Chapter 13	Budgeting and Standard Cost Systems <i>Assign Project #5 - Budgeting</i>
09 M	continue Chapter 13	
11 W	continue Chapter 13	
13 F	Read Chapter 14	Performance Evaluation for Decentralized Operations
16 M	continue Chapter 14	
18 W	Read Chapter 15	Capital Investment Analysis
20 F	University Day Holiday; no classes	
23 M	continue Chapter 15 Project #5 due	Capital Analysis Complicating Factors
25 W	Review	
27 F	Review	
May 02 W	8:00 am – 9:50 am	Final Exam – Chapters 13, 14, 15 & Comprehensive