

**Acct 2302-001 (M-W, 9:00 am, CRN 22575)**  
**Principles of Accounting II – Spring 2017**

**Professor:** Rick Francis, Ph.D.  
**Phone:** 915-747-7953

**E-mail:** [rnfrancis@utep.edu](mailto:rnfrancis@utep.edu)  
**Office Hours:** Tuesday & Thursday: 9:00 am – 10:00 am

**Office:** COBA 215

**COURSE OBJECTIVE:** Your engagement in the course should enable you to achieve the following:

Expected Results	What we will do (activities)	How we measure the results
<ul style="list-style-type: none"> <li>• Analyze cost behavior, budget processes and cost variances.</li> <li>• Assess profitability with varying mixes of fixed and variable costs.</li> <li>• Make decisions for special orders, make or buy, drop unprofitable segments, inter-departmental transfers and capital budgeting.</li> </ul>	<ul style="list-style-type: none"> <li>• In-class, group-based tasks, which require students to critically examine and apply concepts such job-order and process costing, opportunity costs, relevant vs. irrelevant costs, product vs. period costs, price vs. quantity variances, differential analysis and transfer pricing.</li> </ul>	<ul style="list-style-type: none"> <li>• Feedback from other students to further develop the student's understanding of the topics.</li> <li>• Compact, individual exams for the relevant topics provide a quantitative measure of student competence.</li> </ul>

**TEXT:** if you are purchasing a text, please purchase Whitecotton, Libby and Phillips, *Managerial Accounting*, 3<sup>rd</sup> ed (McGraw-Hill); a less desirable alternative for students who already own the text is Warren, Reeve and Duchac, *Financial & Managerial Accounting*, 13<sup>th</sup> ed (Cengage).

**IN-CLASS PROTOCOL:** *This course requires active learning. There is no lecture!* Proficiency with the exercises posted on Blackboard AND familiarity with the chapter page references ***before*** class allows students to effectively interact with their group members and the instructor ***during*** class. Each class session typically includes two activities (note the class activities are subject to change at the discretion of the instructor).

- 1) approximately sixty (60) minutes of each class session represent opportunities students to use their texts, notes and feedback from group members, etc. to enhance their pre-class understandings of the concepts. The professor circulates throughout the classroom during this period to facilitate the learning process. Note that student questions such as “how do you do this” indicate that the student is unprepared for the class session. *There are no tools available to the instructor that will prepare the unprepared student for the ensuing tests.* Students must work within the groups assigned by the instructor at the beginning of the semester, or they will receive a score of zero for the corresponding daily mini test.
- 2) students use approximately twenty (20) minutes to complete an individual mini-test ***without*** any use of texts, notes, computer, phone, group members, etc. Each student works independently, and submits the answers using his or her individual scantron and test document. The tests assess the student's understanding of the daily topics introduced in the daily assignments (i.e., the instructor's exercises as well as the chapter page number assignments).

**COURSE GRADES:** Your accumulation of points earned from the following activities will determine your final grade for the course:

	<u>Cumulative Points</u>	<u>% of Total</u>
Group 1 assessments:		
i) Mini tests (28 attempts @ 100)	(900 – 2,400)	34 – 91
ii) Pre-class/Pre-chapter:		
CONNECT/LearnSmart (28 attempts @ 30)		
<b>OR</b> Cengage/CNOW (11 attempts @ 75)	(0 – 750)	0 – 28
iii) Post-class/Post-chapter:		
CONNECT/HW (28 attempts @ 30)		
<b>OR</b> Cengage/CNOW (11 attempts @ 75)	<u>(0 – 750)</u>	<u>0 – 28</u>
Sub-total (maximum from Group 1)	2,400	34 – 91
Group 2 assessment:		
Final exam	<u>250</u>	<u>9</u>
Total	2,650	100.0

The professor assigns letter grades as follows (percentages of total course points, 2,650):

A's	90% – 100%	D's	60% – 69.99%
B's	80% – 89.99%	F's	< 60%
C's	70% – 79.99%		

Students must monitor their scores as posted on Blackboard, and promptly notify the professor via email (i.e., [rnfrancis@utep.edu](mailto:rnfrancis@utep.edu)) of any discrepancies.

**MINI-TESTS: TURN YOUR PHONE OFF AND STORE IT OUT OF IMMEDIATE REACH!!** The mini-tests assess student comprehension of the daily topics. An important pre-requisite for attempting any mini-test is the compliance with all university and instructor policies, including (but not limited to) the provision of the student's true and correct university student identification number upon request from the instructor or any university official. The tests are **individual test performances** (i.e., not group performances), which forbid ANY between-student communication. The testing formats include multiple choice, true/false, open-ended problems, short-answer and other formats. All students **must** be *proactive* toward the intentional or unintentional disclosure of their answers to other students. This requires **all students to position their test documents on the table such that neighboring students may NOT view any calculations or final answers. Students must turn their test documents face down if they remove their arms from the tabletop. All student scantrons MUST remain under the student's test document such that neighboring students are unable to see any marked answers. Any act which reveals a student's answers to neighboring students in any form is an act of academic misconduct and will result in a score of zero for the current test.**

The only permissible items that may be present on the student's desktop area during the mini-tests are the test documents, scantrons, pencils, erasers and a calculator that is NOT integral to a cell phone. It is important to realize that the professor reserves the right to seat, re-seat and dismiss students and visitors to achieve the educational objectives of the course, as well as academic integrity in general. Failure to comply with the professor's instructions for the tests will result in a zero for the current test. Scantrons submitted for anyone other than the student himself or herself are fraudulent scantrons, and represent acts of academic misconduct subject to the full consequences available through the Office of Student Life.

*Students who arrive to the classroom after the instructor begins distributing the test documents will sit for an alternative test.* This policy minimizes the possibility that students exiting the classroom are unable to convey the solutions to students who have yet to enter the classroom and sit for the test.

**Mini-test solutions:** Students are generally able to view the test solutions immediately after submitting their test materials to the professor. Immediate feedback allows students to close the learning loop and improve their understanding of the topics. Any student who views the test solutions, and then attempts to convey the solutions to another student or group of students whose test submission(s) is (are) incomplete (including students in a different section of the course) is automatically subject to any and all consequences of academic misconduct, including a zero on the current day's mini test. *Any student's inability to protect the integrity and confidentiality of the test solutions may also result in the professor deferring or withdrawing the availability of the test solutions.*

**Mini-test submission:** Each student must properly submit both the scantron and ALL exam/test documents to the professor upon the timely completion of the exam/test. Proper submission includes, but is not limited to: the use of a pencil to complete the scantron answers, the legible **PRINTED** appearance of the student's first and last names on the scantron and the test, a flat scantron such that is suitable for machine grading (i.e., 95% or more of the scantron's flat surface is in direct contact with a tabletop), and the prompt submission of the scantron and exam when the professor ends the examination period (i.e., calls for the exams). Failure to PROPERLY submit ALL exam/test documents results in a zero for the current mini-test. Failure to submit the test document results in a score of zero for the current test, and also represents an act of academic misconduct subject to the maximum penalty allowable. Note that a student who completes the exam and fails to submit a scantron will also receive a zero for the examination. Any submissions after the instructor collects the scantrons are deemed late submissions, where the student receives a score of zero for the test. Student scantron responses are the sole basis for mini-test scores (test document markings/responses are irrelevant). Students who revise their scantron answers during the examination period are at risk of the scantron machine finding two answers (the original answer with an erasure, and the revised answer), and penalizing the student with an incorrect response. The instructor recommends that students use a new scantron rather than erasing to change answers. Scores for scantrons with erasures are irreversible. The proper submission of scantrons and test documents is solely the student's responsibility. There are absolutely no exceptions to these policies.

- a) Once students submit their mini-tests to the professor, they must NOT return to any area in the classroom where other students continue to work with the test. This requires the student to gather his or her belongings, along with the test materials, before viewing the test solution. Failure to comply with this requirement results in a score of zero for the mini-test, and a report of academic misconduct to the Office of Student Life.
- b) Students must bring their own pure calculators (no cell phone calculators) and pencils for use with the mini-tests and scantrons. **Failure to properly store cell phones results in test scores of zero for the current test (no exceptions).**

- c) **Students will need at least one (1) original, brand-name Form 815E scantron for each and every class session.** Use of generic scantrons may result in a lower test score due to a machine-reading anomaly. Any recorded score that results from the use of a generic scantron is not subject to review other than a pure input error by instructor. Hence, if the machine incorrectly generates a test score with the use of a generic scantron, the machine-generated score is final.
- d) **Students receive scores of zero when they fail to store cell phones out of immediate reach during the examination period (no exceptions).**

**PRE-CLASS/PRE-CHAPTER QUIZZES:** These are *out-of-class, online* assignments which provide students with opportunities to supplement their mini test scores. The instructor explicitly prohibits the use of two online products for the purpose of accumulating pre-class quiz points. Any use of two online products for the purpose of accumulating pre-class quiz points will result in scores of zero for all assignments. Choose the online vehicle below which corresponds to your text.

**Whitecotton et al./CONNECT users:** Each pre-class CONNECT/LearnSmart quiz is worth 30 points. A maximum of 750 points will count toward the student's final grade when the combined total of mini test points and post-class quiz points is less than 2,400. *Note that these quizzes are due at 7:00 am on the day of the scheduled class.* Also note that these quizzes are available online using the BLACKBOARD link to McGraw-Hill CONNECT (please register using the Blackboard link, and be sure your UTEP email address is correct).

**Warren et al./CNOW users:** Each pre-class CNOW quiz is worth 75 points. A maximum of 750 points will count toward the student's final grade when the combined total of mini test points and pre-class quiz points is less than 2,400. *Note that these quizzes are due at 7:00 am on the day of the last scheduled class for the relevant chapter.* Also note that these quizzes are available online using the following web address: <http://www.cengage.com/cnow/> (please register using this link, and be sure you register for the correct section, i.e., M-W, 9:00 am).

**POST-CLASS/POST-CHAPTER HOMEWORK:** These are *out-of-class, online* assignments which provide students with opportunities to supplement their mini test scores. The instructor explicitly prohibits the use of two online products for the purpose of accumulating pre-class quiz points. Any use of two online products for the purpose of accumulating post-class quiz points will result in scores of zero for all assignments. Choose the online vehicle below which corresponds to your text.

**Whitecotton et al./CONNECT users:** Each post-chapter CONNECT/HW quiz is worth 30 points. A maximum of 750 points will count toward the student's final grade when the combined total of mini test points and post-class quiz points is less than 2,400. *Note that these quizzes are due at 7:00 am on the day after the scheduled class.* Also note that these quizzes are available online using the BLACKBOARD link to McGraw-Hill CONNECT (please register using the Blackboard link, and be sure your UTEP email address is correct).

**Warren et al./CNOW users:** Each pre-class CNOW quiz is worth 75 points. A maximum of 750 points will count toward the student's final grade when the combined total of mini test points and pre-class quiz points is less than 2,400. *Note that these quizzes are due at 7:00 am on the day after the last scheduled class for the relevant chapter.* Also note that these quizzes are available online using the following web address: <http://www.cengage.com/cnow/> (please register using this link, and be sure you register for the correct section, i.e., M-W, 9:00 am).

**FINAL EXAM: Tuesday, May 9, 7:00 am.** The final exam is comprehensive, and is an individual test (i.e., not a group test). An important pre-requisite for attempting the final exam is the compliance with all university and instructor policies, including (but not limited to) the provision of the student's true and correct university student identification number upon request from the instructor, instructor's assistant or any university official, as well as the production of a government issued medium of personal identification. All students must sit for the final exam *in accordance with the official university final exam schedule* (i.e., everyone takes the exam at the same time). ***No exceptions.***

**EXTRA CREDIT:** None.

**ABSENCES:** The scoring scheme mentioned earlier allows students to earn the maximum points for the course (excluding the final exam) with as many as **four (4)** absences. Student, family or friendly incidents such as the following ***will not qualify the student for any unique treatment or consideration:*** doctor appointments (any type of doctor), lawyer

appointments, court appearances, traffic accidents with or without bodily injury, illnesses (including but not limited to colds, flus, Zika virus, allergies, pink eye, ear aches, tonsillitis, meningitis, toothaches, extraction of wisdom teeth, cuts, scrapes, bruises, hangnails, etc.), surgeries, pregnancies, annual physical exams, funerals, dermatological issues, job interviews, club meetings and trips, professional organizational meetings, hair style/haircut/nail appointments, accidents resulting in muscle sprains, strains, tears, broken bones, shaving accidents, anybody's wedding, veterinarian appointments, advising appointments, inability to find a parking spaces, demonstrations, parades, consultations with others (including other students, instructors, administrators, law enforcement authorities), etc. *This list of incidents is not exhaustive, as there are countless other possible incidents.* **There are no make-up exams/tests for unexcused absences.** An unexcused absence from an exam/test will earn a score of zero. An official university excused absence **with advance notice** will qualify the student for an attempt to acquire the missed exam points. The professor will use his discretion to determine the protocol for attempting to acquire such missed exam points, and the protocol includes, but is not limited to written exams, oral exams, presentations, averages of other exams, etc. There are no early exams/tests, where the student begins and completes the exam/test prior to the time that the class as a whole begins and completes the test. Additionally, there are no post-exam tests, where the student begins and completes the exam/test after the scheduled examination period. *Students are only able to begin and complete the tests at the time that the class as a whole begin and complete the tests.*

**ATTENDANCE:** University policy requires students to attend all classes and arrive on time. *Students must carry their UTEP ID with them at all times on campus* (see Section II, Chapter 7 of the university handbook of operating procedures).

**INTERNET ACCESS:** Blackboard is an important tool, and students **MUST** gain internet access to the **Blackboard** link at [www.utep.edu](http://www.utep.edu). The professor will post grades, etc. on the course's Blackboard website. Use the computer labs on campus if necessary. **Note that the professor welcomes e-mail communication with students to enhance the learning experience.**

**E-MAIL ACCESS:** Students must frequently monitor their university e-mail accounts, as the instructor uses this medium to communicate important information.

**STRATEGY FOR SUCCESS:** The instructor recommends that students develop a strategy for the successful completion of the course. It is critical that the student's strategy begins with the acceptance of the responsibility for the outcome. Another critical component of the student's strategy is the willingness to prepare him- or herself for each class. The key here is that the best defense is a good offense. The instructor supplies exercises, which along with the proper use of a textbook, go a long way toward preparing the student for class. If possible/practical, the instructor recommends studying with other students in the class, as collaboration helps all students. Finally, the Department of Accounting offers a limited amount of tutoring, and the tutoring schedule is available by inquiry in Room 260 of COBA.

**ACADEMIC MISCONDUCT:** In the classroom and in all other academic activities, students are expected to uphold the highest standards of academic integrity. Any student who commits an act of scholastic dishonesty is subject to discipline. Scholastic dishonesty includes, but is not limited to cheating, plagiarism, collusion submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts, *fraudulently submitting test materials for another student, and viewing test solutions, then transmitting the solutions to another student who is taking or has yet to take the test.* Proven violations of the detailed regulations, as printed in the *Handbook of Operating Procedures* (HOP) available in the Office of the Dean of Students, may result in sanctions ranging from disciplinary probation, to failing grades on the work in questions, to failing grades in the course, to suspension or dismissal, among others.

**DROP DATE:** The grade of "W" is available to all students until **March 30, 2017**. **DO NOT ASSUME THE PROFESSOR WILL DROP YOU AUTOMATICALLY IF YOU STOP ATTENDING BEFORE THE March 30, 2017 DEADLINE.** It is YOUR responsibility to drop the class if it is your desire to do so. After the University drop deadline, a grade of "W" can be assigned only under exceptional circumstances and only with the approval of the professor and academic dean. Such students must petition for the "W" grade in writing and provide necessary supporting documentation. Exceptions to the **March 30, 2017** deadline will be rare and determined under exceptional conditions as noted in the University catalogue. All other students dropping after the deadline must be dropped with the grade earned as of the end of the semester. Statements on Faculty and Student Responsibilities are available on the College of Business website at: <http://business.utep.edu/About/responsibilities.aspx>.

**ACCOMMODATIONS POLICY FOR THE UNIVERSITY OF TEXAS at EL PASO:** If you have or suspect a disability and need accommodations, you should contact **Center for Accommodations and Support Services (CASS)** at **747-5148**. You may also email the office at [cass@utep.edu](mailto:cass@utep.edu) or visit the office in the **Union Building East, Room 106**. For additional information, please visit the CASS website at <http://sa.utep.edu/cass/>.

**CAMPUS CARRY:** Individuals with a valid Texas Concealed Handgun License (CHL) may lawfully carry their handguns in a concealed manner while on campus in areas which do not explicitly prohibit handguns. For example, individuals may carry their handguns in most UTEP classrooms in a concealed manner (see the campus carry link below for exceptions). It is critical to recognize that the *official UTEP policy requires ALL individuals who carry handguns to conceal these weapons at all times while on campus. Texas state law prohibits the open carry of handguns anywhere on campus.* Please call Campus Police (X 5611) or 9-1-1 immediately if you feel someone is *intentionally* displaying a gun (or any weapon). For more information on campus carry, see <http://sa.utep.edu/campuscarry/>; and for more information on overall campus safety, see <http://admin.utep.edu/emergency>.

**Principles II - Daily Plan - MW**

**Spring 2017**

<b>Week</b>	<b>Date</b>	<b>Chap</b>	<b>Topics</b>	<b>Week</b>	<b>Date</b>	<b>Chap</b>	<b>Topics</b>
1	1/18		Review syllabus, class protocol, other.	9	3/15		<b>Spring Break!</b>
2	1/23		Group formation, financial vs. managerial	10	3/20	6	Cost Volume Profit Analysis
2	1/25	1	Intro to Managerial Accounting	10	3/22	6	Cost Volume Profit Analysis
3	1/30	1	Intro to Managerial Accounting	11	3/27	6	Cost Volume Profit Analysis
3	2/1	1	Intro to Managerial Accounting	11	3/29	7	Incremental Analysis
4	2/6	2	Job Order Costing	12	4/3	7	Incremental Analysis
4	2/8	2	Job Order Costing	12	4/5	8	Budgetary Planning
5	2/13	2	Job Order Costing	13	4/10	8	Budgetary Planning
5	2/15	3	Process Costing	13	4/12	8	Budgetary Planning
6	2/20	3	Process Costing	14	4/17	9	Standard costing and variances
6	2/22	3	Process Costing	14	4/19	9	Standard costing and variances
7	2/27	4	Activity Based Cost Management	15	4/24	10	Decentralized Performance Eval
7	3/1	5	Cost Behavior	15	4/26	10	Decentralized Performance Eval
8	3/6	5	Cost Behavior	16	5/1	11	Capital Budgeting
8	3/8	5	Cost Behavior	16	5/3	11	Capital Budgeting
9	3/13		<b>Spring Break!</b>		<b>5/8</b>		<b>Final Exam @ 7:00 am</b>

**Principles II – Spring 2017 (M-W)**  
**Estimated topical coverage for each class session**  
(subject to adjustment as necessary for actual coverage and instructor judgment)  
(text page references appear in parentheses where applicable)

- 1/18 – Introduction, class protocol.
- 1/23 – Group assignments, Ch 1, financial vs. managerial accounting (pp. 5-6).
- 1/25 – Ch 1, direct vs. indirect costs, variable vs. fixed costs, manufacturing vs. non-manufacturing costs (DM, DL, MOH (pp. 14-20).
- 1/30 – Ch 1, prime and conversion costs, product cost vs. period cost, relevant vs. irrelevant costs (pp. 20-22).
- 2/1 – Ch 1, key transactions for increasing and decreasing manufacturing inventories (beginning balance + inputs – outputs = ending balance), COGM computation (pp. 21, 53-54).
- 2/6 – Ch 2, difference between job order and process cost systems, job cost card and idea of accumulating costs in WIP until job is complete (pp. 44-50).
- 2/8 – Ch 2, actual vs. applied MOH; pre-determined rate (pp. 50-52).
- 2/13 – Ch 2, analysis/JEs for: i) purchase and issuance of materials; ii) recording direct labor costs; iii) actual and applied MOHs; iv) transferring costs from WIP to FG; and v) disposal of over- under-applied MOH (pp. 47-57).
- 2/15 – Ch 3, nature of process costing; cost flows/multiple departments/processes; cost of production report; units section of production report with weighted average (WA) method in appendix (104-109).
- 2/20 – Ch 3, equivalent units with WA method (pp. 108-112).
- 2/22 – Ch 3, cost per equivalent unit with WA method; costs assigned to EI and WIP with WA method; generate cost of production report with WA method (pp. 112-114).
- 2/27 – Ch 4, ABC, applied MOH; plant-wide rates and intro to activity-based costing (ABC) (pp. 152-162).
- 3/1 – Ch 5, relevant range, variable costs, fixed costs, step costs, mixed costs, high-low method (pp. 198-204, 206-208).
- 3/6 – Ch 5, contribution margin; contribution margin ratio; unit contribution margin (pp. 212-214).
- 3/8 – Ch 5, absorption costing vs. variable costing (pp. 215-220).
- 3/13 – **Spring Break!**
- 3/15 – **Spring Break!**
- 3/20 – Ch 6, cost-volume-profit basics, unit-contribution method (break-even point in units) (pp. 246-251).
- 3/22 – Ch 6, contribution margin ratio method (break-even point in dollars); (pp. 251-253).

## **Principles II – Spring 2017 (M-W)**

Estimated topical coverage for each class session

(subject to adjustment as necessary for actual coverage and instructor judgment)

(text page references appear in parentheses where applicable)

- 3/27 – Ch 6, margin of safety, effect of revenue and cost changes on break-even point; target profit; degree of operating leverage; (pp. 253-260).
- 3/29 – Ch 7, relevant vs. irrelevant costs/benefits, capacity considerations, special orders/pricing, make or buy (pp. 292-300).
- 4/3 – Ch 7, discontinue segments, sell or process further decisions; production bottlenecks (pp. 300-307).
- 4/5 – Ch 8, master budget vs. operating budgets, sales budget; production budget (pp. 337-340).
- 4/10 – Ch 8, material purchases budget (pp. 340-341).
- 4/12 – Ch 8, cash budget (pp. 344-349).
- 4/17 – Ch 9, type of standards, static budget vs. flexible budget standards; direct material variances (pp. 375-384).
- 4/19 – Ch 9, direct labor variances (pp. 384-386).
- 4/24 – Ch 10, cost vs. profit vs. investment center, ROI (incl DuPont), residual income (pp. 423-428, 433-439).
- 4/26 – Ch 10, transfer pricing with market and negotiated price approaches (pp. 440-443).
- 5/1 – Ch 11, screening vs. preference decisions, independent vs. mutually exclusive projects, accounting rate of return, payback method, time value of money, net present value (PV only); internal rate of return, profitability index (pp. 467-480, 488-490, 491-492).
- 5/3 – Ch 11, lease or buy decision, automation decisions (pp. 481-484).
- 5/9 – Final exam, Tuesday @ 7:00 am.