Course Outline

1. Tuesday, August 25  
   Expectations and conceptual framework  
   Read: GNB, Chapter 1  
   Introduction to Management Accounting

2. Thursday, August 27  
   Cost Concepts  
   Read: GNB, Chapter 2  
   Cost behavior

3. Tuesday, September 1  
   Job costing  
   Read: GNB, Chapter 3  
   Job Costing in Manufacturing

4. Thursday, September 3  
   Process costing  
   Read: GNB, Chapter 4

5. Tuesday, September 8  
   Cost-volume-profit analysis  
   Read: GNB, Chapter 5  
   Cost-Volume-Profit Analysis  
   Questions: Sales mix, two products  
   Identification of Fixed and Variable Costs—Grocery store  
   Clay Company

6. Thursday, September 10  
   Cost behavior and linear regression  
   Read: GNB, Appendix A to Chapter 2  
   Questions: Data Collection Issues 10-16  
   Data Collection Issues 10-17

7. Tuesday, September 15  
   Variable costing, absorption costing, and joint costs  
   Read: GNB, Chapter 6  
   Joint costs  
   Question: Spence and Company

8. Thursday, September 17  
   ABC costing  
   Read: GNB, Chapter 7
9. Tuesday, September 22  ABC costing case  
   Case: Oval Street Journal

10. Thursday, September 24  Pricing decisions and cost management  
    Read: GNB, Appendix B to Chapter 11  
           Allocations for Reasons External to the Firm
    Illustration: Cost allocation example

11. Tuesday, September 29  Pricing and costing case  
    Case: GSB, Inc.

12. Thursday, October 1  Cost allocation  
    Read: GNB, Appendix B to Chapter 4
    Question: Allocating costs of support departments; dual rates; cost  
               justification (rail and road)

13. Tuesday, October 6  Review for Midterm 1

14. Thursday, October 8  Midterm Examination 1

15. Tuesday, October 13  Cost allocation case  
    Case: Stanford University

16. Thursday, October 15  Budgeting and responsibility accounting  
    Read: GNB, Chapters 8 and 9  
           Actual, normal, and standard costing

17. Tuesday, October 20  Flexible budgets and variances  
    Read: GNB, Chapter 10  
           Flexible budgets and Standards  
           Standard costing

18. Thursday, October 22  Budgets and variances case  
    Read: Variance analysis recap
    Case: LSP Capsules

19. Tuesday, October 27  Differential analysis  
    Read: GNB, Chapter 12  
           Decisions and relevant costs
Questions: Price cut
        Juice Problem
        Perl Whiz
        Ava’s Catering
        Vernom

20. Thursday, October 29  Review for Midterm 2

21. Tuesday, November 3  Midterm Examination 2

22. Thursday, November 5  Relevant costing
                Case: Ace and Club

23. Tuesday, November 10  Transfer pricing
                Read: GNB Appendix A to Chapter 11
                Transfer pricing
                Transfer pricing recap
                Question: Anita Corporation

24. Thursday, November 12  Performance measurement in decentralized organizations
                Read: GNB, Chapter 11
                Executive Compensation
                Compensation Concepts
                Incentives and Managerial Compensation

25. Tuesday, November 17  Equity compensation case
                Case: Gamblers’R’Us

26. Thursday, November 19  Capital budgeting
                Read: GNB, Chapter 13
                The net present value schema
                Question: Caledonia

27. Tuesday, December 1  Capital budgeting and performance measurement
                Case: Special Electric

28. Thursday, December 3  Capital budgeting case with leasing, depreciation, taxes,
                and performance evaluation
                Read: Capital budgeting with taxes and inflation

Page 3
Case: Diversified Electronics

29. Tuesday, December 8  Ethics and earnings management

Read:  David Burgstahler and Ilia Dichev (December 1997)  
“Earnings management to avoid earnings decreases and losses” Journal of Accounting and Economics  
24(1): 99–126. Note: Study the figures closely. (complete text on reserve)  
Complaint in Civil Action No. 05-MK-480 (OES) SECURITIES AND EXCHANGE COMMISSION, v.  
JOSEPH P. NACCHIO et al. (extracts)  
Earnings Management

Case: Nil Desparandum

30. Thursday, December 10  Course wrap-up