PEPPERDINE UNIVERSITY
THE GEORGE L. GRAZIADIO
SCHOOL OF BUSINESS AND MANAGEMENT

Professor Don Rudkin

MBAM – 602 – Session B

Managerial Accounting

Spring 2015

Malibu Campus

SYLLABUS – UPDATED  11/4/14
Location: Malibu Campus

Professor’s Name: Don Rudkin
Office address: Graziadio School of Business, Malibu Campus, Office
Home phone: 310-456-3577
Cell phone: 310-600-1076
E-mail address: drudkin@deloitte.com

Course Description – Academic Catalog

This course places sophisticated tools and techniques in the hands of primary users for making business decisions. Specific topics include cost behavior analysis, cost-management systems, relevant cost analysis, budgeting, performance measurement, and value-based management control systems.

Texts and Course Materials


The preface to the text discusses various additional supplements you may elect to purchase. The prefaces also describe products on the Wiley web site.

I strongly recommend that you purchase your materials at least one week prior to the start of the first class. You can utilize the bookstore, Amazon, and other outlets for your purchase.

Grading

Letter grades will be based on:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm</td>
<td>20%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>50%</td>
</tr>
<tr>
<td>Homework</td>
<td>5%</td>
</tr>
<tr>
<td>Class participation</td>
<td>10%</td>
</tr>
<tr>
<td>Project</td>
<td>15%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

The grading system is:

- A 90%-100% Superior Work
- B 80%-89% Solid Graduate Level Work
- C 70%-79% Below Graduate Level Expectations
- D 60%-69%
- F Below 60%
Within the grading categories, plus and minus grades are available as shown in the school catalog. If necessary, I will adjust the grade cutoffs to obtain a reasonable distribution of grades.

Grades in this class typically average 3.3 on a 4.0 scale.

**Attendance Policy**

Attendance at all class meetings is expected. Assignments may be given in class and be due the next class.

I recommend that you exchange phone numbers with other students. If you miss a class, these other students, as your partners, can update you on assignments and the class.

**Class Procedures**

I use a variety of approaches. In-class activities include lecture, discussion, question and answer sessions (Socratic method), and group presentations.

It is important that you come to class prepared. You are expected to participate effectively in class discussions. The reading assigned for a day, along with the assigned homework problems, should be completed before class. On average, you should allow two hours of preparation time for each hour of class time. In individual cases, more or less time may be required.

If you are unprepared for class, you should turn in a note at the start of class. If I do not receive a note, I will assume you are prepared.

**Examinations**

Exams will be given at the times indicated on the schedule of classes.

If you must miss an exam for a legitimate reason as defined in the university rules, contact me in advance of the exam and I will explain your options. I require a written explanation for an absence from an exam.

**Homework**

A large volume of homework will be assigned with specific due dates for handing in during class. Classmates may help each other by discussing homework issues but otherwise the materials you turn in must be your own work.

Because of the large volume of homework for all the classes I teach, homework will be spot-checked.

If you must miss a class, please mail the homework for that class by ordinary first class mail to:

Don Rudkin
3942 Rambla Orienta
Malibu, CA 90265
Please do not use registered mail or any other form of special mail. The postmark (but not postage meter) will be counted as the day homework is turned in. For example, if an assignment is due on the 15th and is postmarked on the 15th, it will be counted as on time no matter when I receive it.

All homework will be due at the beginning of class. You might want to copy your homework. You must turn in the original and then you can use the copy as you wish. I will review the originals and return them the following week.

Academic Dishonesty

Academic honesty is expected. Violations of academic honesty will lead to sanctions as described in the university catalog.

Revisions to Syllabus

All dates, assignments, and details listed in this syllabus are tentative and based on my expectations regarding the progression of the course. I reserve the right to change this syllabus. Any changes will be announced in class. If you need to miss a class, you are responsible for finding out about class announcements.

Office Hours

I plan to be available during breaks and before and after class.

Telephone Hours

Please feel free to call anytime between 9 AM and 6 PM. If I do not answer, please leave a message and I will return your call.

If I fail to return your call or email message within 24 hours, please telephone me because there may be a technical failure.
Conduct

“The University expects from all of its students and employees the highest standard of moral and ethical behavior in harmony with its Christian philosophy and purposes. Engaging in or promoting conduct or lifestyles inconsistent with traditional Christian values is not acceptable.

The following regulations apply to any person, graduate or undergraduate, who is enrolled as a Pepperdine University student. These rules are not to be interpreted as all-inclusive as to situations in which discipline will be invoked. They are illustrative, and the University reserves the right to take disciplinary action in appropriate circumstances not set out in this catalog. It is understood that each student who enrolls at Pepperdine University will assume the responsibilities involved by adhering to the regulations of the University. Students are expected to respect order, morality, personal honor, and the rights and property of others at all times. Examples of improper conduct for which students are subject to discipline are as follows:

- Dishonesty in any form, including plagiarism, illegal copying of software, and knowingly furnishing false information to the University.
- Forgery, alteration, or misuse of University documents, records, or identification.
- Failure to comply with written or verbal directives of duly authorized University officials who are acting in the performance of assigned duties.
- Interference with the academic or administrative process of the University or any of the approved activities.
- Otherwise unprotected behavior that disrupts the classroom environment.
- Theft or damage to property.
- Violation of civil or criminal codes of local, state, or federal governments.
- Unauthorized use of or entry into University facilities.
- Violation of any stated policies or regulations governing student relationships to the University.

Disciplinary action may involve, but is not limited to, one or a combination of the alternatives listed below:

Dismissal – separation of the student from the University on a permanent basis.
Suspension – separation of the student from the University for a specified length of time.
Probation – status of the student indicating that the relationship with the University is tenuous and that the student’s records will be reviewed periodically to determine suitability to remain enrolled. Specific limitations to and restrictions of the student’s privileges may accompany probation.”

Policy on Disabilities

Assistance for Students with Disabilities

“Students with disabilities, whether mental or physical, are encouraged to contact the Equal Opportunity Office before the academic year begins or soon after classes are in session. This office will assist each student by providing general information about campus facilities and available resources. The office will assist in providing reasonable accommodation to students with disabilities pursuant to applicable laws. Inquiries should be directed to equal opportunity officer at (310) 506-4208. (Students who wish to file a formal grievance should refer to the “Nondiscrimination Policy,” which is listed in the “Legal Notices” section of this catalog.)”

GSBM Catalog.
Schedule of Classes

<table>
<thead>
<tr>
<th>Week</th>
<th>Topics</th>
<th>Readings-Chapters</th>
<th>Required Homework</th>
</tr>
</thead>
<tbody>
<tr>
<td>1)</td>
<td>Cash flows</td>
<td>13</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>Financial St. Analysis</td>
<td>14 start</td>
<td>--</td>
</tr>
<tr>
<td>2)</td>
<td>Financial St. Analysis</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Managerial Acct.</td>
<td>1</td>
<td>P13-7A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P13-11A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P14-2</td>
</tr>
<tr>
<td>3)</td>
<td>Job order costing</td>
<td>2</td>
<td>P1-3A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P2-3A</td>
</tr>
<tr>
<td>4)</td>
<td><strong>Midterm</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chapters 13,14,1,2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5)</td>
<td><strong>Go over Midterm</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cost-Volume-Profit</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Incremental Anal.</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>6)</td>
<td><strong>Projects due</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Budgetary Planning</td>
<td>9</td>
<td>P5-5A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P7-4A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P7-5A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P9-4A</td>
</tr>
<tr>
<td>7)</td>
<td><strong>Final Exam:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>All Chapters</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Individual Project: Financial Statement Analysis (Due Date – week 6)**

Each student will analyze the financial statements of a U.S. Standard and Poor’s 500 company. Choose a firm you would like to study in depth and a sector in which you would like to work. The company should be profitable with positive cash flow and some long term debt in the most recent year 2 years. The firm should have financial data available for five years. Avoid a company that is the product of a recent major merger within the last 3 years. Avoid insurance companies. Select a financial company only if you are really interested in working in that sector.

The next step is to use the Internet, the firm’s website, or other method to obtain the most recent annual report for your firm. Avoid summary, third party presentations of a company’s financial statements: e.g. Yahoo, etc. Obtain the company’s full annual report.

You can next begin your financial statement analysis as discussed in Chapter 14. Your paper should include several Illustrations that mimic the Weygandt text but you should use all the accounts showing for your firm rather than condensed Illustrations. Arrange your Illustrations in the same sequence as shown in the text. You then need to repeat the process for a competing, profitable company. You must obtain its annual report for the same year, prepare the same Illustrations, and compare the two firms in a written analysis described below.

As you can see in the Illustrations, you need approximately three years of data on your firm for certain Illustrations. Normally, one annual report can contain enough data but you might need to use two annual reports.

When data is difficult to interpret, state your assumptions and write notes explaining your decisions.

The report is due week 6.

The report is weighted as shown in the syllabus. Reports lose 2 points for each business day they are late. Reports that are more than three business days late receive a grade of zero.

The report should include a one page executive summary and should not exceed five pages. Relevant financial statements pages should be included in an appendix but are not required and do not attach the entire annual report or 10-K. Only comment on ratios and trends that are significant to your analysis.

We will discuss this project in class and I will answer any questions you might have.

This project is an individual assignment. If two students turn in projects which are identical or nearly identical, each student will receive one-half of the points.
Project: Accessing Annual Reports on the Internet

This page describes ways to access annual reports on the Internet. There are of course many other ways to access annual reports. If you do not find your annual report in 30 minutes, stop, avoid frustration, and obtain help from a classmate or me.

1. Start Internet Explorer
Type www.yahoo.com
Enter keywords for a search. (e.g. Microsoft)
There are then typically many choices. Select the official company website and then make a choice that indicates financial information. Follow the links until you find the most recent annual report, assuming it is available.

2. Start Internet Explorer
Type www.yahoo.com
Enter Edgar as the keyword for your search.
There are many choices.
Choose the link indicating SEC Filings and Forms (Edgar). (Edgar is a database that collects filings with the SEC.)
Search for company filings.
Companies and other filers.
Enter your company’s name as the keyword(s) for your search.
Look for “annual report” or “10-K report” along the left edge.
Choose html.
Choose 10-K document.
Next print out the entire 10-K report, which may be long.

* * * * *

I have recently used these methods myself. But because Internet steps can change over time, you might have to modify your steps. Check with a classmate or me if you are having difficulty. Avoid frustration.

* * * * *

Competitors:

When you choose a competitor, you can try to select a firm with the same SIC code (Standard Industry Classification code).

Here are the steps to finding your firm’s SIC code and then finding competitors with the same code in the United States.
Go to Pepperdine’s Online Library.
Select Moody’s / Mergent Online.
Obtain access to the database using your password.
Enter your company name to find its SIC code.
Search
Write down the SIC code.
Go back to Moody’s main menu.
Select “Prim. SIC” and type the SIC code into the box.
The Index is S&P 500 and the country is United States.
Search.

You will see a list of companies with the same SIC code.
Select a competitor.