**Please list your assessment instruments here:**

**Homework Assignments:** Each week there are graded exercises and problem. These exercises and problems are due at two different points during the week and are automatically graded using the homework assessment software. The students are giving 5 attempts per question, permission to discuss the homework openly, and are given the highest grade achieved on the attempts. The exercises are generally algorithmic (number change each time) and the problems are static. All assignments require the students start over each attempt.

Chapter One

Assign #1 Ex 2,3,4 & Pro 5,6,7

Chapter Two

Assign**Discussion Boards:** There will be one or two discussion boards required per week. Students are provided a document on appropriate communications and discussion board policies and a grading rubric.

|  |  |  |  |
| --- | --- | --- | --- |
| **Discussion Board Grading Rubric** |  |  |  |
| Criteria | 2 Points | 1 Points | 0 Points |
| Topic | Follows Assigned Topic | Partially Follows Topic | Off Topic |
| Subject | Clearly Defined Subject | Unclear Subject | No discernible Subject |
| Criteria | 2 Points | 1 Points | 0 Points |
| Grammar and Spelling | Complete Sentences Proper Punctuation Appropriate Capitalization Accurate Spelling | 1 or 2 Minor errors | Spelling Errors Grammar errors Texting Language |
| Active | Posts 2 or more days | Most posts occur on same day/time | All posts occur on same day/time |
| Criteria | 4 Points | 3 Point | 0 Points |
| Contribution to Discussion | Excellent contribution | Strong Contribution | “Me Too” or “Good Work” post, No Contribution |
| Number of Posts | Greater than 3 | 3 | 0-2 |
|  |  |  |  |
| \_\_\_/8 possible points |  |  |  |

Topics are listed in my detailed course map.

#2 Ex 2,3,4,5,6,7,8,9,10

Assign #3 Pro 11,12

Chapter Three

Assign #4 Ex 1,2,5,6,7,9

Assign #5 Pro 12,13,14

Chapter Six

Assign #6 Ex 1,2,3,5,6,8,10

Assign #7 Pro 14,15,16

Chapter Four

Assign #8 Ex 1,2,3,4,5,6

Assign #9 Pro 10,11

Assign #10 Ex 8,9 + 3 module ?

Assign #11 Pro 13 + module?

Chapter Nine

Assign #12 Ex 2,3,4,6,7,8

Assign #13 Pro 14,15,16,17

Chapter Seven

Assign #14 Ex 1,3,5,7,8,10

Assign #15 Pro 11,13,14

Chapter Nine

Assign #16 Ex 10,11,13

Assign #17 Pro 18,19

Chapter Ten

Assign #18 Ex 2,3,4,7,8,9

Assign #19 Pro 11,12,13 + 13 algo

Chapter Eleven

Assign #20 Ex 1,2,3,4,6,7

Assign #21 Pro 9,11,12

**Exams:** There are 5 exams over the course of the quarter. Each exam is a two part exam. The multiple choice portion is completed in CengageNow. Students have 75 minutes to complete 35 questions. In the written Angel portion topics are selected that require students to show there work and process of getting the answer. These questions may be in the form of written essays or problems. Students have 90 minutes to complete the questions within Angel.

**Exam 1 MC - 35 MC questions from Chapters 1 and 2**

**Exam 1 Pro - 1 true false - 1 essay, 3 problems**

1) I agree to the following statement: I am enrolled in this course and completing this exam for myself. I am completing my own work and not discussing the content of this exam with anyone. I understand that violations of this policy will result in a 0.0 in the course.

2) In a brief but complete paragraph using your OWN words compare and contrast Financial and Managerial accounting. Your answer MUST include at least two differences and two similarities.

2) Show a picture of an item produced with numbers and have students identify the following:

DM, DL, Indirect labor, Indirect Materials, Manufacturing Overhead, Period cost, product cost.

Or if pictures could slow down testing use this one:

Jasnic Inc manufactures metal water bottles. The sheet metal used for the base of the water bottle cost $290,000. Advertising cost amount to $12,000. The managers of the manufacturing plant were paid $180,000. The production line workers were paid $78,000. The plastic o rings used in the water bottle had a high failure rate and were difficult to keep track of the related cost $3,250. Insurance on the plant cost $40,000 and corporate headquarters insurance cost $20,000. The corporate headquarters was rented at a cost of $63,000 and salesman were paid $12,000 in commission. Depreciation on the manufacturing equipment cost $55,000 and the plant utilities cost $66,000.

Identify the category(s) of each cost and provide the total amount for each category.

A) Direct Material

B) Direct Labor

C) Indirect Material

D) Indirect Labor

E) Manufacturing Overhead

F) Period Cost

G) Product Cost.

DONT FORGET TO SHOW ALL CALCULATIONS

3) Provide the basic information of a problem and have the students make the journal entries as the product moves through the production process.

Please journalize the following transactions for SITG Inc for the year ended December 31, 2011: Raw materials were purchased for $9,000 on account. $3,000 of the raw materials were moved onto the production floor. Labor of $18,000 was incurred for production workers.An the CFO told you to apply $ 23,000 in manufacturing overhead. On the final stop goods of $22,000 were transferred into finished goods.

4) Schedule of cost of goods manufactured.

The following information is available for Obsolete Books Inc. for 2012. Prepare a Schedule of Cost of Goods Manufactured in good form based on the information provided. Assume all the books are identical for this question.

Accounting Expense 36,000

Advertising Expense 8,000

Direct Labor (2,080 x 10.00 per hour) 20,800

Direct Materials purchased 18,500

Factory Equipment Depreciation 2,500

Factory Rent Expense 80,200

Factory Supervisor Wage Expense 41,200

Factory Utilities 1,350

Indirect Labor 12,3000

Indirect Materials 4,250

Office Equipment Depreciation 1,100

Office Expense 18,000

Office Utilities 620

Sales Commission Expense 1,200

Sales Revenue 250,000

Inventory Information Beginning Ending

Direct Materials Inventory 29,300 22,500

Work in Process Inventory 32,000 35,400

Finished Goods Inventory 18,000 12,0001) I agree to the following statement: I am enrolled in this course and completing this exam for myself. I am completing my own work and not discussing the content of this exam with anyone. I understand that violations of this policy will result in a 0.0 in the course.

2) In a brief but complete paragraph using your OWN words compare and contrast Financial and Managerial accounting. Your answer MUST include at least two differences and two similarities.

2) Show a picture of an item produced with numbers and have students identify the following:

DM, DL, Indirect labor, Indirect Materials, Manufacturing Overhead, Period cost, product cost.

Or if pictures could slow down testing use this one:

Jasnic Inc manufactures metal water bottles. The sheet metal used for the base of the water bottle cost $290,000. Advertising cost amount to $12,000. The managers of the manufacturing plant were paid $180,000. The production line workers were paid $78,000. The plastic o rings used in the water bottle had a high failure rate and were difficult to keep track of the related cost $3,250. Insurance on the plant cost $40,000 and corporate headquarters insurance cost $20,000. The corporate headquarters was rented at a cost of $63,000 and salesman were paid $12,000 in commission. Depreciation on the manufacturing equipment cost $55,000 and the plant utilities cost $66,000.

Identify the category(s) of each cost and provide the total amount for each category.

A) Direct Material

B) Direct Labor

C) Indirect Material

D) Indirect Labor

E) Manufacturing Overhead

F) Period Cost

G) Product Cost.

DON’T FORGET TO SHOW ALL CALCULATIONS

3) Provide the basic information of a problem and have the students make the journal entries as the product moves through the production process.

Please journalize the following transactions for SITG Inc for the year ended December 31, 2011: Raw materials were purchased for $9,000 on account. $3,000 of the raw materials were moved onto the production floor. Labor of $18,000 was incurred for production workers.An the CFO told you to apply $ 23,000 in manufacturing overhead. On the final stop goods of $22,000 were transferred into finished.

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Factory Supervisor Wage Expense 41,200

Factory Utilities 1,350

Indirect Labor 12,3000

Indirect Materials 4,250

Office Equipment Depreciation 1,100

Office Expense 18,000

Office Utilities 620

Sales Commission Expense 1,200

Sales Revenue 250,000

Inventory Information Beginning Ending

Direct Materials Inventory 29,300 22,500

Work in Process Inventory 32,000 35,400

Finished Goods Inventory 18,000 12,000

**Exam 2 MC - 35 MC questions from Chapters 3 and 6**

**Exam 2 Pro - 1 true false - 1 essay - 3 problems**

1) I agree to the following statement: I am enrolled in this course and completing this exam for myself. I am completing my own work and not discussing the content of this exam with anyone. I understand that violations of this policy will result in a 0.0 in the course.

2) In a brief but complete paragraph using your OWN words describe

the difference between fixed costs and variable costs.

3) Marion Haste Wedding Consultants provides very large, elaborate and imaginative wedding cakes for very large, elaborate, and imaginative wedding receptions.

Below is a summary of activity and costs for the first sixth months of the year:

|  |  |  |
| --- | --- | --- |
| Month | Weddings | Costs incurred |
| January | 3 | $3,800 |
| February | 2 | $3,600 |
| March | 6 | $4,000 |
| April | 9 | $4,300 |
| May | 12 | $4,500 |
| June | 20 | $5,200 |

Requirements:

1. Estimate the variable costs per wedding and the fixed costs per month.

2. What would total costs be if Marion was scheduled to produce 30 cakes in August?

3. If Marion charges $300 per cake, how many cakes does she have to sell to earn a $5,000 monthly profit?

4) The following information is available for the publisher of “Frank the Cow Dog” Children’s Books:

Variable cost: $10.00 per book

Sales price: $15.00 per book

Fixed costs: $35,000 per year

These costs apply over a relevant range of the production of one book to the production of 40,000 books.

**Required:**

**A)** What is the contribution margin per unit?

**B)** What would operating income be at a sales level of 15,000 books?

**C)** What is the breakeven point in units?

**D)** Ignore the sales price of $15 per book. What would the sales price have to be for the publisher to earn operating income of $165,000 on sales of 25,000 books?

5) Eliza sells flowers in Covent Garden. Her fixed costs are $50 per day. Her average sales price is $4 per flower. She is currently selling 400 flowers per day. Her current variable cost is $3 per flower. Eliza anticipates that her daily sales will increase to 500 flowers per day. How much could her variable cost per flower *increase* for her to still earn the same daily profits as before?

**Exam 3 MC - 35 MC questions from Chapter 4**

**Exam 3 Pro - 1 true false - 1 essay, 3 problems**

1) I agree to the following statement: I am enrolled in this course and completing this exam for myself. I am completing my own work and not discussing the content of this exam with anyone. I understand that violations of this policy will result in a 0.0 in the course.

2) In a brief but complete paragraph using your OWN words compare and contrast Job Costing and Process Costing. Your answer MUST include at least two differences and two similarities.

3) Following is information for Penquo, Inc., which makes crayons in its Billings, MT factory:

|  |  |  |
| --- | --- | --- |
|  | Budget | Actual |
| Production (# of boxes of crayons)  Total Direct Costs (materials & labor)  Total Machine Hours  Overhead (fixed and variable) | 1,000  $ 2,000  140  $2,800 | 800  $ 2,400  100  $3,000 |

Penquo allocates overhead using a budgeted overhead rate, using machine hours as the allocation base. The overhead rate is then applied to product based on actual machine hours incurred. In other words, the company uses a Normal Costing system.

Required:

A) What is the overhead rate?

B) How much overhead would be applied to each box of crayons?

C) What is the actual direct cost of each box of crayons?

4) Six units were in beginning work-in-process (WIP) at the beginning of May. These units were 100% complete with respect to direct materials, and 50% complete with respect to conversion costs. During the period, these six units were completed, and another eight units were started. At the end of the period, four of these eight units were completed, and the other four units were 100% finished with respect to direct materials, and 75% complete with respect to conversion costs. Following is pertinent cost information:

Beginning WIP Costs added in May

Direct Materials $600 $3,600

Conversion costs $600 $2,200

Required:

Calculate the cost per equivalent unit, using the weighted-average method.

5) Given data below make the required journal entries for 2013.

**Exam 4 MC - 35 MC questions from Chapters 9 & 7**

**Exam 4 Pro - 1 true false - 1 essay, 3 problems**

1) I agree to the following statement: I am enrolled in this course and completing this exam for myself. I am completing my own work and not discussing the content of this exam with anyone. I understand that violations of this policy will result in a 0.0 in the course.

2) In a brief but complete paragraph using your OWN words explain the importance and benefits of the budgeting process. I expect to see at least four factual statements within your paragraph.

3) The Bee Gees cultivate and sell honey. They provide you the following data with respect to the upcoming year.

Budgeted variable costs (per jar):

Cost of the jar & label $1.50

Labor 2.40

First aid supplies .25

Budgeted fixed costs:

Salaries: $50,000

Lease expense: 10,000

Other fixed costs 15,000

Relevant range over which these cost relationships are expected to hold: zero to 50,000 jars. Average sales price per jar is $7.00.

Required: Prepare three flexible budgets, showing operating income, for the following levels of sales (assume sales equals production):

A) 20,000 jars

B) 40,000 jars

C) 50,000 jars

4) The Pretenders, Inc., produces exercise equipment for dogs. The following information pertains to variable manufacturing overhead, which is allocated using machine hours.

|  |  |  |
| --- | --- | --- |
|  | Budget | Actual |
| Units produced  Machine hours  Variable manufacturing overhead | 15,000  5,000  $161,250 | 22,000  7,500  $242,000 |

Required: Calculate the flexible budget variance.

5) The Big Loud Audio Company produces a deluxe eight-track cassette tape recorder. Several functional levers on the face of the recorder are used in its operation. These levers have been purchased from an outside supplier for $216 per twelve-case lot. Each case contains 144 levers. The Lever Supply Company has just informed Big Loud that their price must be increased by 100% immediately. Big Loud has idle equipment that could be converted to produce these levers. Big Loud estimates production costs as follows:

Direct materials $10 per 100 levers

Direct labor standards 120 levers per hour @ $14 per hour

Variable manufacturing overhead $0.05 per lever

Fixed manufacturing overhead:

Depreciation $1,260

Other $945

The fixed manufacturing overhead would be incurred whether or not Big Loud produces the levers. They estimate that they will produce 63,000 levers annually.

Prepare a memorandum to the management of Big Loud recommending whether or not to accept the price increase from the Lever Supply Company.

**Exam 5 MC - 35 MC questions from Chapters 10 & 11**

**Exam 5 Pro - 1 true false - 1 essay, 3 problems**

1) I agree to the following statement: I am enrolled in this course and completing this exam for myself. I am completing my own work and not discussing the content of this exam with anyone. I understand that violations of this policy will result in a 0.0 in the course.

2) The Costmore Company uses standard costing and has established the following standards for direct materials and direct labor for each unit of the single product it makes and sells for $50:

Direct Materials 4 gallons at $8 per gallon

Direct Labor 1 hour at $16 per hour

During July, the company made 6,000 units of product and incurred the following costs:

Direct Materials purchased 26,800 gallons at $8.20 per gallon

Direct Materials used in production25,200 gallons

Direct Labor used 5,600 hours at $15.30 per hour

Required:

Calculate the variable manufacturing cost variances for Materials and Labor.

3) The purchasing agent for Unit Manufacturing Company has found a new supplier for one of the company’s raw materials. The supplier offers a product that would meet Flintstone Manufacturing Company’s specifications. The product costs less, is of lower quality and would require greater quantities. What would likely be the impact on material and labor variances for the purchase of this product?

4) A company has two divisions: the Eastern division and the Western division. The cost of capital is 15%. Following is information about the two divisions:

|  |  |  |
| --- | --- | --- |
|  | Eastern Division | Western Division |
| Divisional profits  Divisional investment | $ 100,000  1,000,000 | $ 200,000  1,000,000 |

Required:

A) Calculate each division’s residual income, and residual income for the company as a whole

B) Calculate each division’s return on investment, and return on investment for the company as a whole.

6) The Jennie Mae Frog Farm incurs production costs of $2 each time a frog is produced. In addition, the farm spends a lump-sum $5,000 each month for expenditures such as insurance, property taxes, and equipment leases, regardless of how many frogs are produced. Times are good: Jennie Mae is operating at capacity, and she is producing and selling 1,000 frogs per month. Jennie Mae’s usual sales price is $9 per frog. The U.S. Army has approached Jennie Mae and proposed a one-time purchase of 300 frogs.

A) What is the lowest price Jennie Mae should be willing to charge the Army per frog?

B) Disregard your answer to part (A) and assume the Army offers to pay $6 per frog. What is the opportunity cost associated with each frog sold to the Army at this price?

C) Now assume that times are not so good, and Jennie Mae has excess capacity to make 500 frogs. The Army offers to buy 300 frogs at $6 each. What is the opportunity cost associated with each frog sold to the Army at this price?

**Budget Project:**  Students are asked to use excel or another spreadsheet software to build and complete a master budget.

Managerial Accounting

Master Budget – 50 points

Prepare a six-month budget for your manager. In addition to the budget, please prepare a brief summary memorandum, explaining the key issues you have identified during the budgeting process, and addressing the major problems or opportunities the company will experience during the 6-month period.

Prepare supporting budget schedules for the first six months of the year 2013, together with an electronic version of the reports and document. These schedules must be printouts directly from Excel or other spreadsheet programs, but make sure each attachment is self-explanatory. Be sure to include all relevant budget schedules, including *pro forma* income statements and a cash budget. Clearly identify if any loans are required, and why. You can download a sample blank budget at the course resource site.

Heron, Inc. is a company that re-sells one product, a particularly comfortable lawn chair. An overseas contractor makes the product exclusively for Heron, so Heron has no manufacturing-related costs. For the first half of 2012 and July 2012, the estimated sales *(in units)* are as follows:

Jan 10,000

Feb 11,000

Mar 12,000

Apr 14,000

May 15,000

Jun 20,000

July 18,000

The forecasted sales *(in dollars)* for November and December 2012 are $125,000 and $140,000 respectively.

Twenty percent of any month’s sales are for cash, and the remaining 80% are on credit. Ten percent of the credit sales are collected in the month of sale, 70% are collected in the following month, and 18% are collected in the second month after the sale. The remaining receivables are deemed uncollectible. Bad debts are written off in the month the debt is deemed uncollectible (e.g. if the sale is made in January and is not collected by the end of March, it is written off in March.)

The firm’s policy regarding inventory is to stock (i.e., have in ending inventory) 50% of the forecasted demand in units (i.e., estimated sales) for the next month.

Monthly sales and administrative expenses consist of the following (if these are cash expenses, they are paid when incurred):

Salaries and wages $6,000

Sales Commissions 8% of sales revenue

Rent $8,000

Other variable cash expenses 5% of sales revenue

Supplies expense $1,000

Other general and administrative overhead, not included above, is expected to be $48,000 per month. Of this amount, $24,000 represents depreciation and other non-cash expenses. Cash expenses for overhead items are paid when incurred.

Per a prior contract, a cash payment of $60,000 for equipment previously purchased is due in January. Another cash payment of $60,000 is due in April. Also, dividends of $40,000 are to be paid in May, as they have been for the previous five years.

Each lawn chair costs Heron $6 per unit. The chair has a sales price of $12/unit.

Half of the inventory purchases are paid for in the month of purchase and the remaining half are paid in the following month (i.e. all of the previous month’s Accounts Payable are paid off by the end of any month.)

Per an existing contract, the cost of each chair is scheduled to increase by 5% on Mar 1, 2013. In addition, because of increasing costs of plastic webbing, the cost is anticipated to increase by an additional 5% on May 1, 2013. To offset these increases, the company plans to raise the sales price to $14.00/unit from May 1, 2013 on. The sales forecast (i.e., estimated sales in units) takes this price increase into account.

Heron uses the first-in, first-out (FIFO) method in accounting for inventories.

The company must maintain a minimum cash balance of $15,000. Borrowing can make up shortfalls. For simplicity, assume that the bank will only lend (and accept repayments) in $1,000 increments. Ignore interest on the loan in your calculations, but minimize the amount borrowed and pay off any loans as soon as possible.

Cash on hand as of December 31, 2012 is expected to be $20,000. In addition, there will be no notes payable as of this date.

Notes & Hints...

If you feel that some critical piece of information is missing, make and highlight an appropriate assumption.

Do not try to derive the loan balances as a result of a formula. Review the cash flow statement (i.e., cash budget) and plug in a suitable number for any loans needed and repayments. Ignore interest expense in your income statement.

It will be helpful to construct a reference row for sales in unit terms.

I recommend constructing the statements for one month and then copying the formulas over to the remaining months. I will look at the copy of your spreadsheet on your electronic copy to see what formulas you have used to develop your model.

Ignore taxes.

**Remember:**

1. Types of assessments selected should measure the stated learning objectives and align with course activities and resources.
2. The course grading policy should be clearly stated (in the syllabus, etc.).
3. Specific and descriptive criteria should be provided for evaluation of student work/participation and should be tied to the course grading policy.
4. The assessment instruments should be sequenced (i.e., not occurring all at the end of the term, not allowing time to build on feedback, etc.), varied, and appropriate to the content.
5. Students should have multiple opportunities to measure their own learning progress.