ACC 329  
MANAGERIAL ACCOUNTING AND CONTROL  
FALL 2017

Instructor  
Brian Lendecky

Class Times  
MW 12:30-2:00 in UTC 3.104 (unique #02760)  
MW 2:00-3:30 in UTC 3.124 (unique #02765)

Office  
CBA 4M.210

Office Hours  
Monday 10:30-11:30 and Tuesday 3:00-4:00 and by appointment

Phone  
512-232-9343 (but e-mail is the best method to contact me)

E-Mail  
Brian.Lendecky@mccombs.utexas.edu

Course Page  
Canvas

TA  
Qiheng Dai  qihengdai@utexas.edu  Office Hours: Tue 11-12  Office: TBD

TA  
Cole Wilder  colewilder@sbcglobal.net  Office Hours: Tue 12-1  Office: TBD

Course Objectives

Managerial Accounting and Control equips managers with accounting information and tools they need to plan and control (evaluate) personnel and operations of the firm. This course provides a framework that facilitates a better understanding of when and why managers need specific types of accounting information to both facilitate their decisions and influence the decisions of their employees. In this class we will discuss two general themes: performance management information systems and management control systems. These two general themes are briefly described below and in more detail in the class schedule.

Performance Management Information Systems:
Performance management information systems provide information about the benefits and costs of the goods and services sold by the firm to help facilitate the short-term operational and long-term strategic decisions of managers. We will discuss and apply principles which will guide our evaluation and design of performance management information systems. Thus, we will learn techniques to enhance the usefulness of accounting and other information for these decisions. Moreover, we will apply these techniques to facilitate short-term operational and long-term strategic decisions.

Managerial Control Systems:
The other half of the course covers the use of accounting information in the control and coordination of individuals and organizational units. During this half of the course, we will explicitly recognize that individuals respond to methods used to evaluate and reward their performance. The purpose of the second half of the course is to identify systems that have widespread use, examine the motivation and theoretical underpinnings for that use, and identify how and when the misuse of these systems leads to dysfunctional outcomes for the firm. In doing so, we will consider both financial and non-financial measures of performance.

The legendary former CFO of Cisco Systems, Larry Carter, said “From a management and fiduciary role, I do not want to lose control. But we also want to continue to move at a rapid pace. The traditional answer to growth is more controls but the bureaucracy then slows you down. How do you stay at the pace of a start up?” Our goal will be to establish a firm grounding in proven measurement techniques while also addressing Carter’s concern: knowing what we need to know for decision-making and control without excessively constraining the organization.
Required Materials

Teaching materials include a mix of case studies, articles, and textbook chapters.


Course pack: Contains all business cases, articles, and other readings required for the course and can be purchased in McCombs’ UT Copy Center on the third floor.

Additional material - Additional teaching materials, class notes, homework solutions, etc., can be found on Canvas under the appropriate class day.

Course Requirements and Grading

Your grade in the course will be determined as follows:

| Daily Quizzes       | 32%  | (There are 19 total Daily Quizzes*)
|---------------------|------|----------------------------------
| Topic Summary Quizzes | 68%  | (There are 4 Topic Summary Quizzes**)  

* Each Daily Quiz is 2% and the lowest three Daily Quiz grades are dropped.
** The four topic summary quizzes are not of equal weight. See below for more details.

The BBA Program recommends a mean GPA of 3.2-3.4 for this course, but the actual grades assigned will be based on what you earn. This course uses that target distribution as a guideline for establishing final grades.

You may assess your performance based on the traditional grade cutoffs of 90% = A-, 80% = B-, 70% = C-, 60% = D-, and below 60% = F. There will be no opportunity to raise your course grade by doing "extra credit" work either before or after the end of the semester. Incompletes will be given only in the rarest of circumstances and according to university policy.

Description of Requirements

Daily Quizzes

All quizzes are individually completed and are closed-case, closed-computer, and closed-notes. A quiz will be given at the beginning of almost every class, see the course schedule for exact dates. Each quiz will last approximately 5-15 minutes. There are eighteen quizzes in total. Each quiz will cover the cases and articles (but NOT the textbook readings) assigned for the current class session. If there are no cases or articles due that day, the quiz will be solely an attendance quiz.

No make-up quizzes will be given, however in the event of an excused absence you may avoid a 0 by submitting a five-page paper (double spaced, 12-pt Times Roman font, 1" margins, due within one week) summarizing the key points of the case and addressing the case questions which I will give you once I determine your absence is excused. Medical emergencies and family emergencies are the only valid reasons for missing quizzes, both of which I require verification from the office of the Dean of Students. I will determine whether an absence is excused or not. Please come see me if you have any questions about this policy.

If you are late to class, you will not be able to take the quiz at the end of class. If you leave class after taking the quiz but before the end of class, without prior permission, I reserve the right to discard your quiz, resulting in a quiz grade of 0.

You MUST come to the class section in which you are officially registered to receive credit for Daily Quizzes and Topic Summary Quizzes, unless you’ve made arrangements with me beforehand.
**Topic Summary Quizzes**

Each Topic Summary Quiz may vary in weight between 5-35% each as given below. However the total of the four Topic Summary Quizzes will be exactly 68%.

<table>
<thead>
<tr>
<th>Quiz</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Topic Summary Quiz #1</td>
<td>8-16%</td>
</tr>
<tr>
<td>Topic Summary Quiz #2</td>
<td>14-26%</td>
</tr>
<tr>
<td>Topic Summary Quiz #3</td>
<td>20-34%</td>
</tr>
<tr>
<td>Topic Summary Quiz #4</td>
<td>3-11%</td>
</tr>
</tbody>
</table>

The four Topic Summary Quizzes are closed-book, closed-computer, and closed-notes. See the course schedule for exact dates. They will be individually-completed. You will need to bring a calculator to the Topic Summary Quizzes, which may be your financial calculator. You may NOT use any calculator that stores text, which of course includes phones or computers.

The Topic Summary Quizzes will embrace all course content as covered in the assigned chapters from the textbook, suggested problems from the textbook, the cases, articles, class notes, and class discussions. Medical emergencies and family emergencies are the only valid reasons for missing quizzes, both of which I require verification from the office of the Dean of Students. I will determine whether an absence is excused or not. Excused absences for a Topic Summary Quiz will be handled on a case by case basis. Please come see me if you have any questions about this policy.

**“Homework”**

Homework problems will help you confirm your understanding of the key topics (these problems are not collected nor graded, but solutions will be provided on Canvas). The homework problems are listed on the course schedule.

The purpose of the homework is to allow you to master the material. Although often intuitive in class, you will not really “get” these concepts and calculations unless you stumble through them on your own. Trying to solve the homework problems will be a good way to reinforce your knowledge of the material and to prepare for the Topic Summary Quizzes. If you need help with a homework problem after looking at the solution on Canvas, please feel free to see me.

**Grading Questions or Appeals**

If you feel there exists a grading error on any of the quizzes or if you feel you need to bring to my attention other facts or circumstances that might affect the grade for any quiz, you will have two weeks from the date the quiz grade is posted on Canvas to take such action and have the matter resolved. Please do not wait until the end of the semester, once you realize you may need additional points, to take this action (unfortunately by then it will be too late).

**E-mail and Canvas**

I will frequently communicate with the class with announcements and guidance via email. I will use the email addresses that are supplied to me on Canvas. If you need to update your email address with the University go to your UT Direct page and, under personal info/all my addresses, change your email address. Before each class, I will post our class notes on Canvas. I will send out a class-wide e-mail notifying you when I post the class notes so you can print them out and bring them to class if you prefer to take notes on a paper copy.

Any outside-of-class announcements that I make (e.g., corrections or clarifications of items discussed in class, syllabus changes, assignment changes, etc.) will be sent to you via e-mail through Canvas. It is possible that substantial content will be posted on Canvas or sent via e-mail. It is your responsibility to regularly check your e-mail and the class Canvas site.

**Privacy in Canvas:** Information in Canvas is protected by your UTEID login. Please be aware that I will use a merged Canvas site for all sections of the course that I am teaching this semester. This will allow students in other sections to see that you are enrolled in the course and send you email from within Canvas. However, they will not actually learn your email address and no other personal data will be revealed through Canvas. If you have any concerns, please contact the ITS Help Desk at 475-9400 for help removing your name from view of other students.
**McCombs Classroom Professionalism Policy**

The highest professional standards are expected of all members of the McCombs community. The collective class reputation and the value of the McCombs experience hinges on this. You should treat the McCombs classroom as you would a corporate boardroom. Faculty are expected to be professional and prepared to deliver value for each and every class session. Students are expected to be professional in all respects.

The McCombs classroom experience is enhanced when:

- **Students arrive on time.** On time arrival ensures that classes are able to start and finish at the scheduled time. On time arrival shows respect for both fellow students and faculty and it enhances learning by reducing avoidable distractions. On the rare occasion when you don’t, please enter and set up quietly. If you must leave early, please notify me in advance.

- **Students display their name cards.** This permits fellow students and faculty to learn names, enhancing opportunities for community building and evaluation of in-class contributions.

- **Students minimize unscheduled personal breaks.** The learning environment improves when disruptions are limited.

- **Students are fully prepared for each class.** Much of the learning in McCombs takes place during classroom discussions. When students are not prepared they cannot contribute to the overall learning process. This affects not only the individual, but their peers who count on them, as well.

- **Students attend the class section to which they are registered.** Learning is enhanced when class sizes are optimized. Limits are set to ensure a quality experience. When section hopping takes place some classes become too large and it becomes difficult to contribute. When they are too small, the breadth of experience and opinion suffers.

- **Students respect the views and opinions of their colleagues.** Disagreement and debate are encouraged. Intolerance for the views of others is unacceptable.

- **Technology is used to enhance the class experience.** When students are surfing the web, responding to e-mail, instant messaging each other, and otherwise not devoting their full attention to the topic at hand they are doing themselves and their peers a major disservice. Those around them face additional distraction. Fellow students cannot benefit from the insights of the students who are not engaged. Faculty office hours are spent going over class material with students who chose not to pay attention, rather than truly adding value by helping students who want a better understanding of the material or want to explore the issues in more depth. Students with real needs may not be able to obtain adequate help if faculty time is spent repeating what was said in class. There are often cases where learning is enhanced by the use of laptops in class.

- **My specific technology classroom standards are:**
  
  A. Silence your phones and no texting or other phone activity during class.
  B. Laptops/tablets are allowed in my class, but only for note-taking or other uses directly related to class. Anyone doing unrelated on-line activity may be penalized: first offense, 5 point reduction in next Topic Summary Quiz; subsequent offenses, half-letter final grade reduction each offense.
  C. Be prepared to do calculations in class. Your phone calculator is fine in class, but it will not be allowed on quizzes so you might do better to practice with a financial calculator or other simple 4-function calculator. All calculators used on quizzes must be non-programmable.

- **Phones and wireless devices are turned off.** We’ve all heard the annoying ringing in the middle of a class. Not only is it not professional, it cuts off the flow of discussion when the search for the offender begins. When a true need to communicate with someone outside of class exists (e.g., for some medical need) please inform the professor prior to class.

*Due to a past incident of my lectures being recorded and then sold on-line (which is copyright infringement, not to mention just all-around slimy) the audio or video recording of my lectures is NOT allowed without my express permission.*

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**Important Notifications - The Course Schedule is an integral part of this Course Syllabus.**

**Students with Disabilities**

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, [http://diversity.utexas.edu/disability/accommodations-and-services/](http://diversity.utexas.edu/disability/accommodations-and-services/).

**Religious Holy Days**

Per the UT Austin General Information Catalog, you must notify me “as far in advance as possible” (I expect at least 14 days advance written notice) of your pending absence due to the observance of a religious holy day. If you must miss an examination or other assignment in order to observe a religious holy day, and you notify me
appropriately, you will be given an opportunity to complete the missed work within a reasonable time after the absence. http://catalog.utexas.edu/general-information/academic-policies-and-procedures/attendance/.

**Policy on Scholastic Dishonesty**
The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the BBA Program’s Statement on Scholastic Dishonesty at http://my.mccombs.utexas.edu/BBA/Code-of-Ethics. By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear to you in any way, it is your responsibility to ask me for clarification. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Dishonesty harms other students, the integrity of the University, and the value of our academic brand, so policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at http://deanofstudents.utexas.edu/conduct to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

Scholastic dishonesty includes, but is not limited to: copying work on tests or assignments, representing (copying) the work of another person as one’s own or allowing another person to represent your work as their own, collaborating without authorization with another student during an exam or in preparing academic work, using or having on your desk unauthorized material or aids to complete a quiz, group exercise, or exam (e.g., cheat sheets, solutions, graphing or programmable calculators, cell phones, etc.).

In the “Description of Requirements” section above, you can find specific guidance regarding individual work for each of the evaluation elements in this course. ALL acts of academic dishonesty receive significant penalties and are reported to Student Judicial Services and attach to your record. This record is consulted as part of application processes at UT (e.g., study abroad applications) and after (e.g., law school and MBA applications, which generally require you to provide access to this record). IT’S NOT WORTH IT!

Scholastic dishonesty includes, but is not limited to: copying tests or quizzes, representing (copying) the work of another person as one’s own or allowing another person to represent your work as their own, collaborating without authorization with another student during an exam or quiz, using or having on your desk unauthorized material or aids to complete a quiz or exam (e.g., cheat sheets, solutions, graphing or programmable calculators, cell phones, etc.).

Specific acts of scholastic dishonesty I have reported students to Student Judicial Services for (and some have ultimately been expelled for) include:
- while taking a quiz, looking at your neighbor’s quiz.
- while taking a quiz, allowing your neighbor to look at your quiz (see the underlined and bolded sentence in the paragraph above).

**Campus Safety**
BE SAFE. See campus safety information at http://besafe.utexas.edu/safety-tips-apps. Also note the following recommendations regarding emergency evacuation from the Office of Campus Safety and Security, 512-471-5767, http://www.utexas.edu/safety:
- Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings when an official announcement is made. Familiarize yourself with all exit doors of each classroom and building you may occupy. Remember, the nearest exit door may not be the one you used when entering the building.
- Students requiring assistance in evacuation should inform the instructor in writing during the first week of class.
- Do not re-enter a building unless given instructions by the following: Austin Fire Department, The University of Texas at Austin Police Department, or Fire Prevention Services office.

For concerns about individual behavior, call the Behavior Concerns Advice Line (BCAL): 512-232-5050. Up-to-date information regarding emergencies and emergency procedures can be found at: http://www.utexas.edu/emergency.

**Privacy in Canvas**
Information in Canvas is protected by your UTEID login. Please be aware that I will use a merged Canvas site for all sections of the course that I am teaching this semester. This will allow students in other sections to see that you are enrolled in the course and send you email from within Canvas. However, they will not actually learn your email address and no other personal data will be revealed through Canvas. If you have any concerns, please contact the ITS Help Desk at 512-475-9400 for help removing your name from the view of other students.
Brian Lendecky is a Senior Lecturer in the Department of Accounting at The University of Texas at Austin. He joined the department in 2006 and teaches Financial Accounting, Cost and Managerial Accounting, and the Tax Practicum course, the latter winning a 2008 Governor’s Volunteer Award from Governor Perry and a 2011 Tower Award. Brian also teaches Financial Methods for Lawyers in the School of Law, Financial and Managerial Accounting courses in the McCombs Executive Education program, the Mexico City, Houston, Dallas / Ft. Worth, and Full-Time MBA programs, the ESCP-EAP European School of Management in Paris, the VSE School of Economics in Prague, and the Chinese University of Hong Kong. Brian Lendecky started his career at PriceWaterhouseCoopers and has subsequently managed accounting departments in the food manufacturing, energy, & medical supplies manufacturing industries.

Brian has received numerous teaching awards including the 2014 Texas Society of Certified Public Accountants Outstanding Accounting Educator Award, Mexico City Executive MBA Outstanding Faculty Award (2017, 2016, 2015, and 2014), Fall 2016 Evening MBA Faculty Honor Roll, Spring 2015 Texas MBA at Houston Faculty Honor Roll, 2013 Hank and Mary Harkins Foundation Award for Effective Teaching in Undergraduate Classes, 2011 Master in Professional Accounting (MPA) Council’s Outstanding Accounting Faculty Award, Spring 2011 Best Faculty Award from the Alpha Kappa Psi business fraternity, and the 2010 CBA Foundation Advisory Council Award for Teaching Innovation. He was nominated by the Faculty Affairs Committee of the Senate of College Councils and the Undergraduate Business Council for the Professor of the Year Award for 2009. He has served on the MPA Program Committee since 2010. Brian is also the McCombs Faculty Advisor for the PriceWaterhouseCoopers xACT and xTax case competitions and our McCombs team has been a national finalist in 2007, 2008, 2010, and 2011.

Brian is a licensed CPA in the State of Texas and is a proud alumnus of the McCombs School's #1 ranked MPA program. Brian and his wife Stephanie stay busy with their four boys (ages 22, 18, 15, and 6) and one girl (age 3). In his spare time Brian is an avid sports fan and poker player. He has played in the World Series of Poker three times and has made a World Poker Tour final table.