Accounting 312: Fundamentals of Managerial Accounting
Spring 2018

Class Hours: TTh 12:30-2:00 (Unique #: 01900)
Location: UTC 3.102
Instructor: Brian Lendecky
Office: CBA 4M.210
E-mail: brian.lendecky@mccombs.utexas.edu
Phone: (512) 232-9343 (but e-mail is best)
Office Hrs: Monday and Tuesday 2:45-3:45, and by appointment

TA: Brian Vincent
Office: CBA 4.304
E-mail: brian.vincent@utexas.edu
Office Hours: Thursday 11:00-12:00

TA: Scarlett Chung
Office: CBA 4.304
E-mail: s.chung@utexas.edu
Office Hours: Tuesday 11:00-12:00

Required Materials
2. *McGRAW-HILL CONNECT and COURSESMART*, on-line study and homework managers

**CANVAS** will be used for course management and any additional readings or study materials will be posted there. I also will use Canvas for communicating with the class.

During the first week of class, you must ensure that:
- you can access the class site on Canvas and have set up your communication preferences;
- your Connect access (including LearnSmart) is functioning properly.

This course is supported by UT’s **Peer-Led Undergraduate Studying (PLUS) program**. PLUS study groups provide an opportunity to collaboratively practice skills and knowledge you need for success in this course. Attending study groups regularly is a great way to ensure that you are keeping up with the material so you don’t fall behind; feel free to attend any study group at any point in the semester. Groups will start in early February and meet Sunday-Wednesday; more information on times and locations will be available through Canvas and announced in class. Additional information on PLUS, including an introductory video, may be found at [http://www.utexas.edu/ugs/slc/support/plus](http://www.utexas.edu/ugs/slc/support/plus). **PLUS facilitator applications are due 1/23/18.**

Learning Objectives
If you stay engaged with the course by participating in class, reading the assigned text, completing the assigned work, and preparing well for cases and exams, you should obtain the results listed below:

<table>
<thead>
<tr>
<th>Expected Result</th>
<th>What We’ll Do</th>
<th>How We’ll Measure the Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understand how accounting systems provide data useful for management decisions in all business areas.</td>
<td>..Discuss chapter readings, cases, and current topics together in class. ..Relate Managerial Accounting to what is going on in the business world.</td>
<td>Interesting and lively class discussions about cases and application of materials, including current business news.</td>
</tr>
<tr>
<td>Gain experience structuring business problems and analyzing management decisions.</td>
<td>..Work practice problems together in class and discuss them. ..Prepare business cases for class discussion and develop recommendations.</td>
<td>Homework, cases, and exam performance (grades).</td>
</tr>
</tbody>
</table>
This course carries the Quantitative Reasoning Flag. QR courses are designed to equip you with skills that are necessary for understanding the types of quantitative arguments you will regularly encounter in your adult and professional life. You should therefore expect a substantial portion of your grade to come from your use of quantitative skills to analyze real-world problems.

E-mail and Canvas
The use of email and Canvas is required for this course. 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 on Canvas our lecture outline notes. I will send out a class-wide e-mail notifying you when I post the lecture outline notes so you can print them out and bring them to class.

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.

Class Preparation and Success
You are encouraged to ask questions in class, both to seek technical clarification of points discussed and to understand how a particular topic relates to your personal interest in business.

Class attendance and doing the study questions and homework are the two biggest keys to success in this class. Students who do well are generally those who attend class regularly and can participate in class discussions because they have prepared. Although problems may seem fairly intuitive when we do them in class, you will be surprised how hard it is to set them up and solve them on your own. Practice is key.

Classroom Standards
A 2017 study by McCombs marketing professor Adrian Ward showed that having your phone present (even when it’s turned off!) takes up some of your brain power. Other recent studies, see the New York Times article later in this syllabus, have shown that using computers in class leads to worse performance. So, although you will use your computer extensively for class-related work (LearnSmart pre-study and Connect homework), during class there will be no computer use, and your phone should be turned off and in your bag.

This classroom is subject to “business meeting” etiquette:
- Silence your phones and no texting or other phone activity during class.
- Be prepared to do calculations in class. Your phone calculator is fine in class, but it will not be allowed on the exam so you might do better to practice with a financial calculator. We recommend the HP 10bII+ financial calculator because it is (1) also useful for ACC 311 and FIN 357, (2) relatively inexpensive (about $35), (3) non-programmable and therefore acceptable for exam use.
- No extraneous conversation or disruptive behavior.
- You should arrive on time. On the rare occasion when you don’t, please enter and set up quietly.
- If you must leave early, please notify me in advance.
Assessment

Course grades will be determined using the following assignments and weights:

Two (non-cumulative) Midterm Exams
- Lower midterm grade 15%
- Higher midterm grade 25%

Higher midterm grade 25%

Final Exam (cumulative) 30%

Three Case Quizzes 9%

Three Unannounced Quizzes 6%

Homework (Connect):
- LearnSmart 5%
- Review Problems 10%

100%

The BBA Program recommends a mean GPA of 3.0-3.2 for this course, but the actual grades assigned will be based on what you earn. All sections of ACC 312 follow the same grading policy, and 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.

Grade Appeals: If you believe a grading error has occurred, you must appeal within one week after the item is returned to the class or the grade is posted on Canvas or Connect, whichever is earlier. I only handle grade appeals in my office and in person. After one week has passed, no appeals will be considered.

Exams

Exams are individual work; no collaboration of any kind is allowed. There will be two non-cumulative midterm exams. Midterm exams will be closed book/notes and will be held on the dates and times indicated in the Class Schedule. All students in all sections of ACC 312 will take the exams at the same time. We will try to return the graded exams one week after the exam date. Calculators that are programmable or can store text are NOT allowed for exams and will be confiscated.

There will be a common, cumulative final exam given for all sections of ACC 312 at the end of the term. The final exam will be closed book/notes and we will advise you of the date for the final exam as soon as we receive it. Do not make travel arrangements until you are certain of your exam schedule! Anyone with a non-standard exam schedule (SSD or other approved exception) MUST make exam arrangements with me at least one week in advance, and before making any travel arrangements. No early exams will be given FOR ANY REASON, including to accommodate travel schedules.

Alternate exams: If you have another UT class or UT exam at the same time as one of the midterm exams, an alternate exam will be given, generally on the day after the scheduled exam. Similarly, if you have another UT final exam that directly conflicts with our scheduled final exam, there is a provision for an alternate exam. However, in all cases permission to take an alternate exam is at my discretion and the request must be made at least one week in advance. Note that conflicts such as classes at other educational institutions and work schedules will not constitute an acceptable reason to take an alternate exam. If you also have a class or exam conflict with the alternate midterm exam, we can, with my prior approval, make arrangements for you to make up the exam. Individual makeup midterm exams must be taken within 72 hours of the original exam date. These exams will be given at the Testing Center located on the fifth floor of the McCombs School, and I will work with you to schedule it. If you do not take the makeup exam as scheduled, you will receive a 0 on the exam.

If you miss an exam due to a severe illness or other emergency, you should notify me before the exam, if
possible, and you must provide prompt notification and proof of emergency to Student Emergency Services (http://deanofstudents.utexas.edu/emergency/). They will require proof of emergency and will provide me official acknowledgement of the emergency. However, I have final authority to determine if your absence is excused. If so, and if it is feasible for you to take the scheduled alternate exam or an individual makeup midterm exam (see prior paragraph), you may do so. Otherwise, students with an excused absence from a midterm exam will be required to add the weight of that exam (“lowest midterm” weight) to the weight of the final exam. Unexcused absences will result in an exam grade of 0.

Case Quizzes/Assignments
We will discuss three cases during the course to provide context and additional dimensions to the concepts we are studying. We will spend the class addressing the case on the day indicated in the Course Schedule, so coming to class well prepared is critical. Read the case carefully and think about the answers to the questions in the case. These answers will not be handed in. Each case class will begin with a 5-10 minute closed-packet quiz on the case. At the discretion of the instructor, your quiz grade may be adjusted up or down based on your participation in the case discussion. Students who leave class after the quiz and therefore don’t participate in the case discussion, will receive a zero for that case quiz grade.

No make-up case quizzes will be given, however in the event of a pre-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) addressing a topic of my choosing.

Unannounced Quizzes
There will be three unannounced quizzes covering previous material discussed in class and/or new material included in that class day’s LearnSmart reading assignment. Students who are absent from class (including late arrivals) the day of the unannounced quiz will receive a zero grade. The only exception will be if you miss an unannounced quiz due to a severe illness or other emergency, and provide prompt notification and proof of emergency to Student Emergency Services (http://deanofstudents.utexas.edu/emergency/). They will require proof of emergency and will provide me official acknowledgement of the emergency. However, I have final authority to determine if your absence is excused. Once Student Emergency Services and I agree that your absence is excused, you will have an opportunity to take an alternative quiz during my office hours. Students who leave class early after the unannounced quiz will receive a zero for that unannounced quiz grade.

Homework (two types, both done in Connect)
Homework must be completed individually in Connect, however you are permitted to collaborate with classmates on figuring out how to structure the solution to assigned questions. Two types of homework are due in this class, both administered via Connect:

- During your preparation before class, you must complete the LearnSmart module for that class, denoted by the LS icon in the Connect assignments list. This will guide you through the textbook, and to earn credit you will answer comprehension questions. When you miss a question, you are presented additional questions, and your LearnSmart grade will be based upon the percentage of each module that you finish. Questions must be answered in Connect by 8:00 a.m. on the day of class.

- Each week, Review Problems covering that week’s class material will be due to be submitted in Connect. The Course Schedule lists these problems. The Review Problems grade is the percent of all points on Review Problems that are correct as submitted. Your answers to these problems must be submitted in Connect by 5:00 p.m. on Saturday of that week. A solution will be provided in Connect after the submission window ends.
Late homework will not be accepted. Also, note that for most questions, Connect will change the numbers in the problem for each student, so your data will differ from the textbook and your solution will not be identical to your classmates’ solutions. Connect will grade these questions, provide solutions to Review Problems (after all sections of ACC 312 have submitted their homework), and indicate areas where you need to do additional study.

If you have difficulty using Connect or LearnSmart, or encounter a problem with the technology, please email your question to the course TAs, listed on the first page of this syllabus. Depending on the problem, the TA may be able to help or you might need to contact the Connect Help Desk (click Help from within Connect).

If you have questions about how to solve the exercises or problems, please see the TA during his/her office hours or come see me during my office hours.

Please note that no homework assignments will be dropped. However, LearnSmart will offer multiple opportunities to demonstrate your mastery of the material, and we have configured Connect to allow you multiple opportunities to check your work on Review Problems prior to submission. So you have ample opportunity to do well on homework assignments.

Other Assignments
Other graded work may also be assigned, depending on my assessment of class progress and preparation. Examples would include (but are not limited to) quizzes in Canvas, extra problem assignments, extra case work, in-class check questions, and chapter outlines. If I choose to make such assignments, their scores will be treated as part of the case and/or unannounced quiz grades.

Important Notifications

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/.

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
In the Assignments section above, you can find specific guidance regarding individual and group work for each of the evaluation elements in this course.

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 remaining in this class, you agree 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, which could include failure in the course and/or dismissal from the University.

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, programmable calculators, cell phones, etc.). 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.

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. 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!

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 if I teach multiple sections of this course I will use a merged Canvas site for all sections. 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.
Using Your Calculator for ACC 312 Homework Assignments in Connect

**Carefully observe the rounding instructions in Connect.**
**If no specific guidance is provided, do not round to less than four decimal places.**

Please make sure your calculator does not round to less than four decimal places (e.g., 0.2078 does not round to 0.208 or shorter). Four decimal places will be adequate for any homework or exam problems.

Here are the instructions for the recommended HP 10bll+ calculator (if you have a different calculator, check your manual or search on-line). The default on this calculator is two decimal places, which is too short for many problems.

**Instructions for HP 10bll+:**

**Specifying Displayed Decimal Places**

To specify the number of displayed decimal places:

1. Press \( \text{Disp} \) followed by \( \text{0} \) or \( \text{9} \) for the desired decimal setting.
2. \( \text{Disp} \) followed by \( \text{RCL} \) changes the display mode. Pressing \( \text{RCL} \) provides the best estimate and displays as many digits as required. \( \text{RCL} \) is the value for 10, and \( \text{M} \) for 11.

**Table 2-29: Example displaying the number of decimal places**

<table>
<thead>
<tr>
<th>Keys</th>
<th>Display</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>( \text{C} )</td>
<td>0.00</td>
<td>Clears display.</td>
</tr>
<tr>
<td>( \text{Disp} 3 )</td>
<td>0.0000</td>
<td>Displays three decimal places.</td>
</tr>
<tr>
<td>( 4 \quad 5 \quad 6 \quad \text{X} )</td>
<td>5.727</td>
<td></td>
</tr>
<tr>
<td>( \text{Disp} )</td>
<td>5.72736000</td>
<td>Displays nine decimal places.</td>
</tr>
<tr>
<td>( \text{Disp} 2 )</td>
<td>5.73</td>
<td>Restores two decimal places.</td>
</tr>
</tbody>
</table>

**Displaying the Full Precision of Numbers**

To set your calculator to display numbers as precisely as possible, press \( \text{Disp} \) (trailing zeros are not displayed.) To temporarily view all 12 digits of the number in the display (regardless of the current display format setting), press \( \text{Disp} \) and hold \( \text{Disp} \). The number is displayed as long as you continue holding \( \text{Disp} \). The decimal point is not shown.
Step into any college lecture hall and you are likely to find a sea of students typing away at open, glowing laptops as the professor speaks. But you won’t see that when I’m teaching. Though I make a few exceptions, I generally ban electronics, including laptops, in my classes and research seminars.

That may seem extreme. After all, with laptops, students can, in some ways, absorb more from lectures than they can with just paper and pen. They can download course readings, look up unfamiliar concepts on the fly and create an accurate, well-organized record of the lecture material. All of that is good.

But a growing body of evidence shows that overall, college students learn less when they use computers or tablets during lectures. They also tend to earn worse grades. The research is unequivocal: Laptops distract from learning, both for users and for those around them. It’s not much of a leap to expect that electronics also undermine learning in high school classrooms or that they hurt productivity in meetings in all kinds of workplaces.

Measuring the effect of laptops on learning is tough. One problem is that students don’t all use laptops the same way. It might be that dedicated students, who tend to earn high grades, use them more frequently in classes. It might be that the most distracted students turn to their laptops whenever they are bored. In any case, a simple comparison of performance may confuse the effect of laptops with the characteristics of the students who choose to use them. Researchers call this “selection bias.”

Researchers can solve that problem by randomly assigning some students to use laptops. With that approach, the students who use laptops are comparable in all other ways to those who don’t. In a series of experiments at Princeton University and the University of California, Los Angeles, students were randomly assigned either laptops or pen and paper for note-taking at a lecture. Those who had used laptops had substantially worse understanding of the lecture, as measured by a standardized test, than those who did not.

The researchers hypothesized that, because students can type faster than they can write, the lecturer’s words flowed right to the students’ typing fingers without stopping in their brains for substantive processing. Students writing by hand had to process and condense the spoken material simply to enable their pens to keep up with the lecture. Indeed, the notes of the laptop users more closely resembled transcripts than lecture summaries. The handwritten versions were more succinct but included the salient issues discussed in the lecture.
Even so, it may seem heavy-handed to ban electronics in the classroom. Most college students are legal adults who can serve in the armed forces, vote and own property. Why shouldn’t they decide themselves whether to use a laptop? The strongest argument against allowing that choice is that one student’s use of a laptop harms the learning of students around them. In a series of lab experiments, researchers at York University and McMaster University in Canada tested the effect of laptops on students who weren’t using them. Some students were told to perform small tasks on their laptops unrelated to the lecture, like looking up movie times. As expected, these students retained less of the lecture material. But what is really interesting is that the learning of students seated near the laptop users was also negatively affected.

The economic term for such a spillover is a “negative externality,” which occurs when one person’s consumption harms the well-being of others. The classic negative externality is pollution: A factory burning coal or a car using gasoline can harm the air and environment for those around it. A laptop can sometimes be a form of visual pollution: Those nearby see its screen, and their attention is pulled toward its enticements, which often include not just note-taking but Facebook, Twitter, email and news.

These experiments go only so far. They may not capture positive effects of laptops in real classrooms over the course of a semester, when students use their typed notes for review and grades are at stake. But another study did just that. At the United States Military Academy, a team of professors studied laptop use in an introductory economics class. The course was taught in small sections, which the researchers randomly assigned to one of three conditions: electronics allowed, electronics banned and tablets allowed but only if laid flat on desks, where professors could monitor their use. By the end of the semester, students in the classrooms with laptops or tablets had performed substantially worse than those in the sections where electronics were banned.

You might question whether the experience of military cadets learning economics is relevant to students in other settings — say, community college students learning Shakespeare. But we’d expect the negative effects of laptops to be, if anything, less at West Point, where all courses are taught in small sections, than it is at institutions with many large lectures. Further, cadets have very strong incentives to perform well and avoid distractions, since class rank has a major impact on their job status after graduation.

The best way to settle this question is probably to study laptop use in more colleges. But until then, I find the evidence sufficiently compelling that I’ve made my decision: I ban electronics in my own classes. I do make one major exception. Students with learning disabilities may use electronics in order to participate in class. This does reveal that any student using electronics has a learning disability. That is a loss of privacy for those students, which also occurs when they are given more time to complete a test. Those negatives must be weighed against the learning losses of other students when laptops are used in class.

Students may object that a laptop ban prevents them from storing notes on their computers. But smartphones can snap pictures of handwritten pages and convert them to an electronic format. Even better, outside class, students can read their own handwritten notes and type them, if they like, a process that enhances learning. The best evidence available now suggests that students should avoid laptops during lectures and just pick up their pens. It’s not a leap to think that the same holds for middle and high school classrooms, as well as for workplace meetings.

Susan Dynarski is a professor of education, public policy and economics at the University of Michigan. Follow her on Twitter: @dynarski. A version of this article appears in print on November 26, 2017, on Page BU4 of the New York edition with the headline: Take Notes With Pen and Paper? It Can Be Done.
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 23, 19, 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.