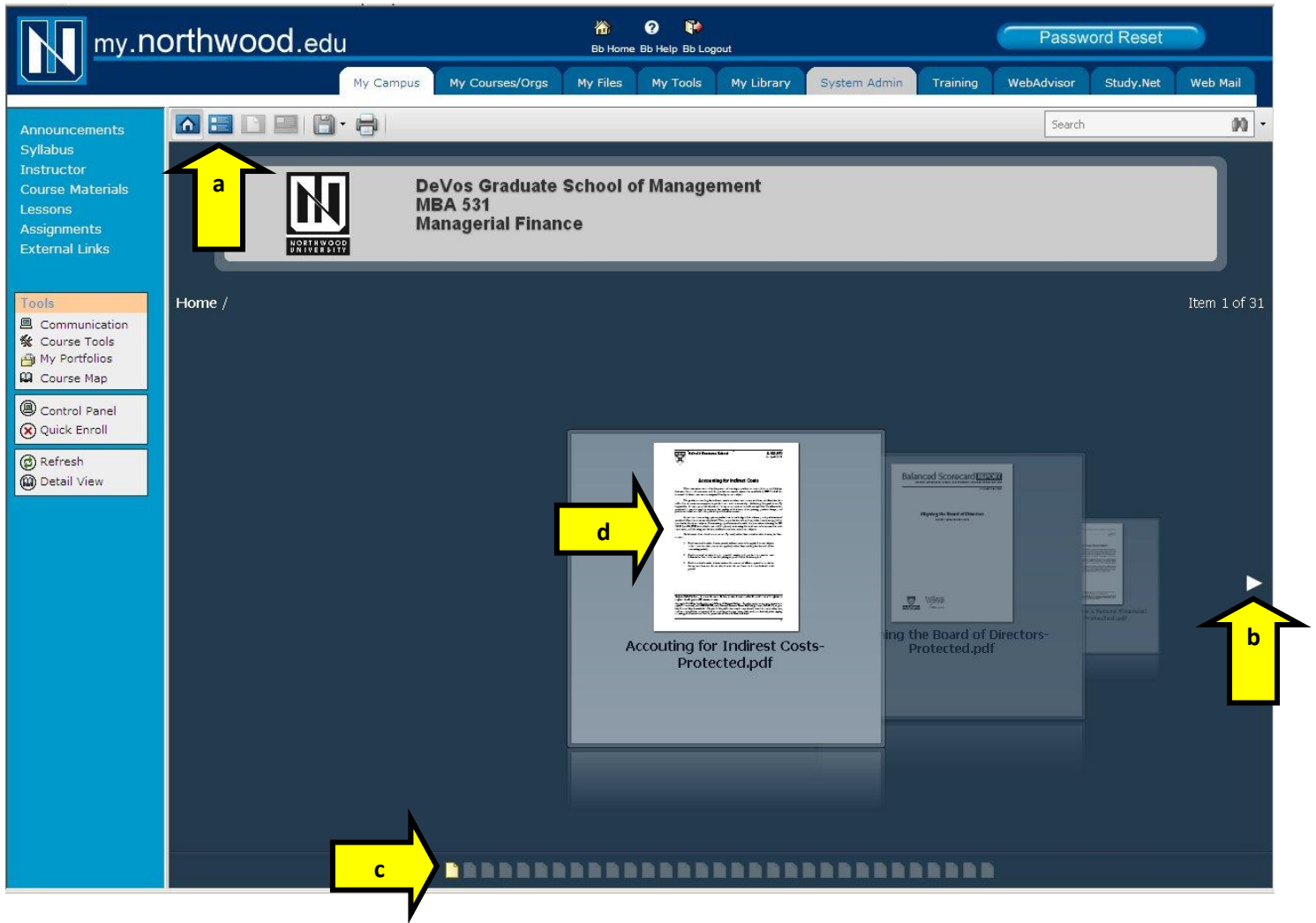


Navigating a Harvard Case Packet

The opening screen of a course Harvard Case Packet.



1. To begin navigation through the packet, choose one
 - a. click the list view tool located top-left of screen adjacent to Home
 - b. click the right-facing pointer in the middle right/left of the screen
 - c. click on the Paper Icon trail at the bottom of the screen
 - d. double-click image

Navigating a Harvard Case Packet

2. From the List View, a. click a thumbnail to highlight the case and b. click the preview tool to open

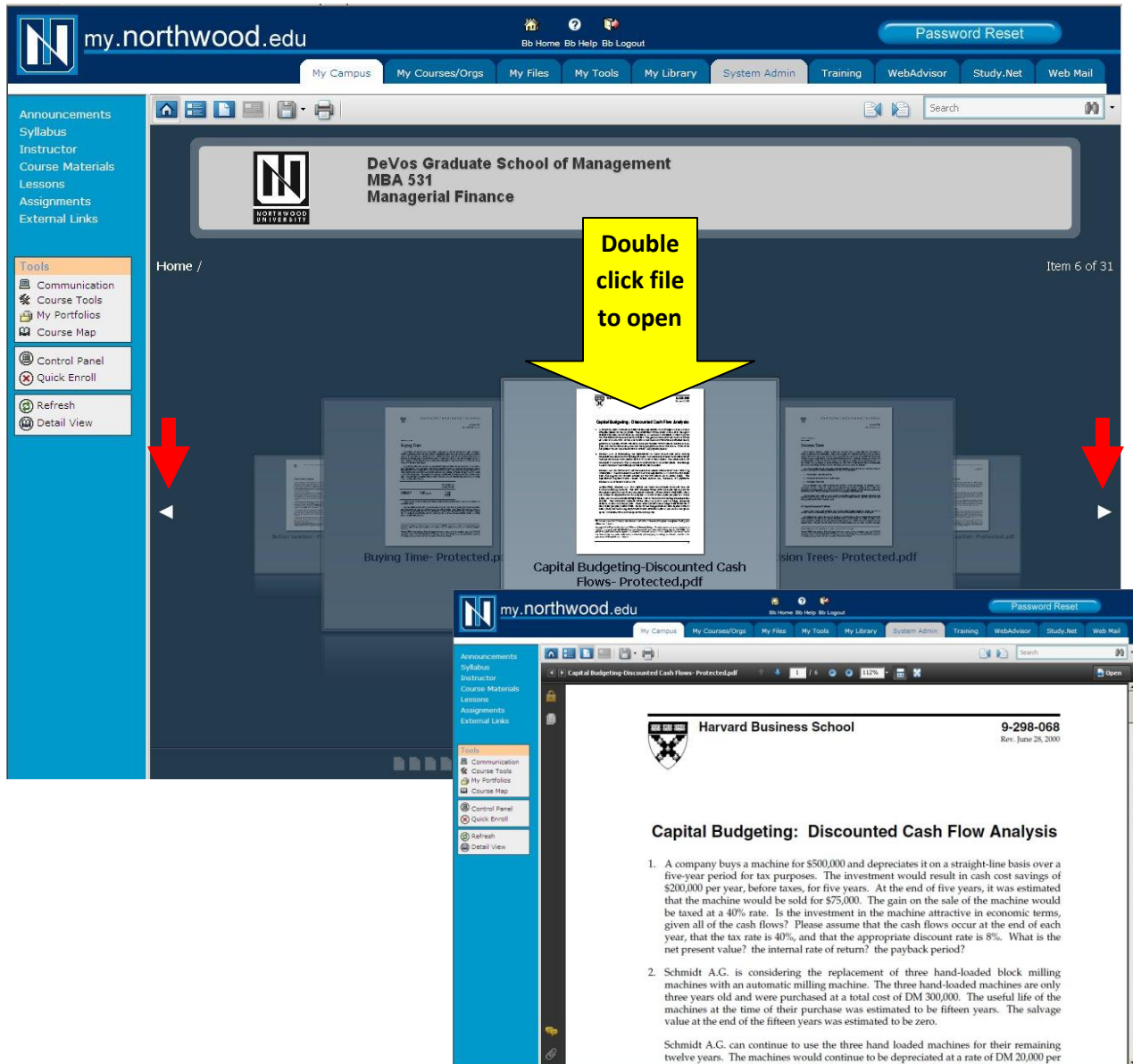
The screenshot displays a Blackboard course interface for my.northwood.edu. The top navigation bar includes links for My Campus, My Courses/Orgs, My Files, My Tools, My Library, System Admin, Training, WebAdvisor, Study.Net, and Web Mail. A search bar is located on the right. The left sidebar contains navigation options such as Announcements, Syllabus, Instructor, Course Materials, Lessons, Assignments, External Links, and Tools. The main content area shows a list of files under the heading "DeVos Graduate School of Management MBA 531 Managerial Finance". A table lists the files with columns for Name, Description, Modified, Size, Compressed size, and Created. A yellow arrow labeled 'a' points to the thumbnail of the file "Aligning the Board of Directors- Protected.pdf". A second yellow arrow labeled 'b' points to the "Preview" icon in the top toolbar. An inset window shows the preview of the selected file, titled "Balanced Scorecard REPORT" with the subtitle "INSIGHT, EXPERIENCE & IDEAS FOR STRATEGY-FOCUSED ORGANIZATIONS". The main title of the report is "Aligning the Board of Directors" by Robert S. Kaplan and David P. Norton.

| Name | Description | Modified | Size | Compressed size | Created |
|---|-------------|------------------------|----------|-----------------|----------------------|
| Accounting for Indirect Costs- Protected.pdf | | 11/21/2008 11:28:00 AM | 208.2 KB | 201.3 KB | 12/8/2008 3:54:27 PM |
| Aligning the Board of Directors- Protected.pdf | | 11/21/2008 11:28:01 AM | 813.4 KB | 801.8 KB | 12/8/2008 3:54:26 PM |
| Assessing a Firm's Future Financial Health- Protected.pdf | | | | | |
| Butler Lumber- Protected.pdf | | | | | |
| Buying Time- Protected.pdf | | | | | |
| Capital Budgeting-Discounted Cash Flows- Protected.pdf | | | | | |
| Decision Trees- Protected.pdf | | | | | |
| Dell's Working Capital- Protected.pdf | | | | | |
| Destin Brass Products- Protected.pdf | | | | | |
| Forecasting with Regression Analysis- Protected.pdf | | | | | |
| Games Managers Play at Budget time- Protected.pdf | | | | | |
| Ginny's Restaurant- Protected.pdf | | | | | |
| Hanson Industries (A)- Protected.pdf | | | | | |

Case file opens in the content frame of the course.

Navigating a Harvard Case Packet

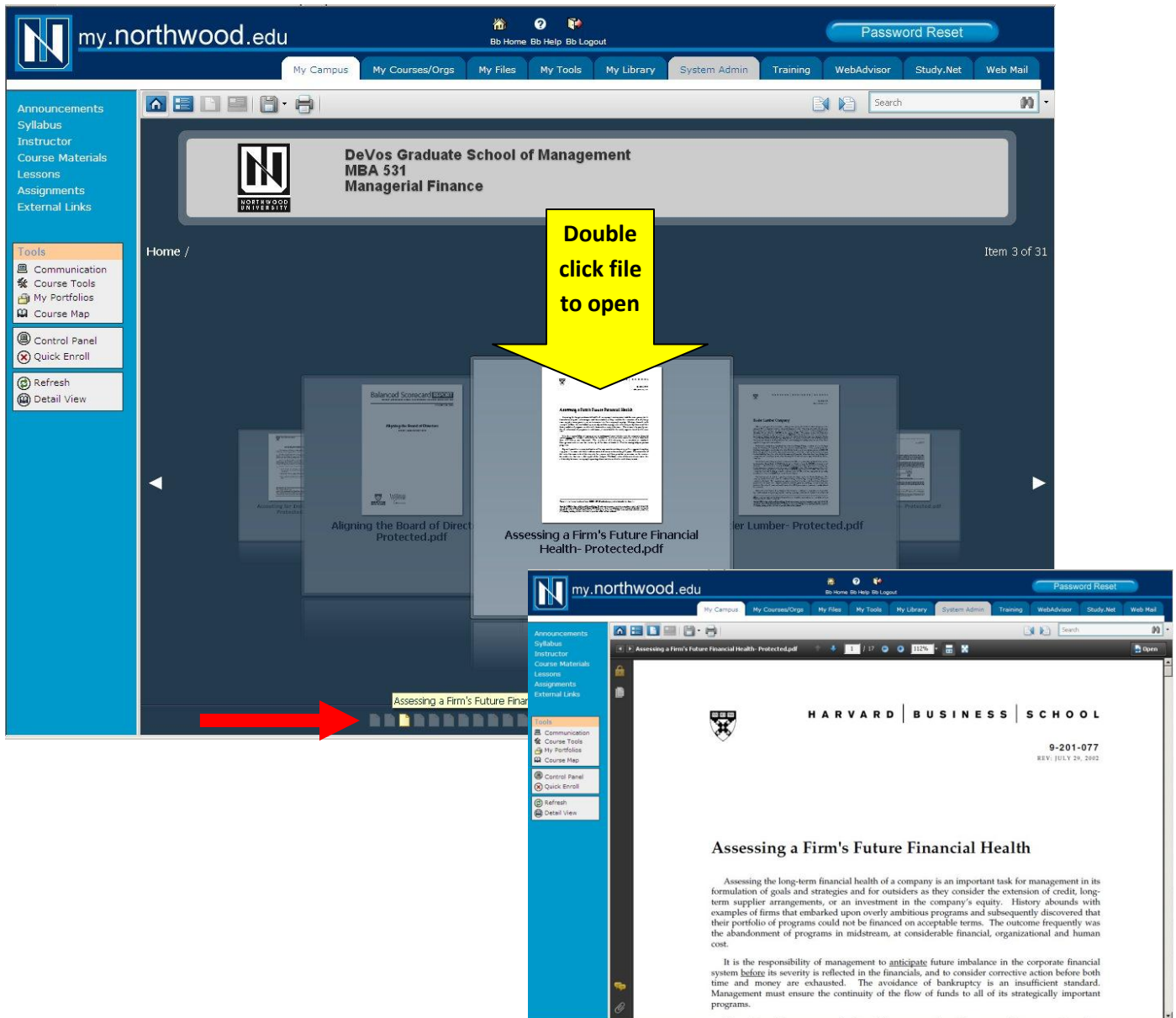
- Click right-facing (or left) pointer to preview cases, double click case to open



Case file opens in the content frame of the course.

Navigating a Harvard Case Packet

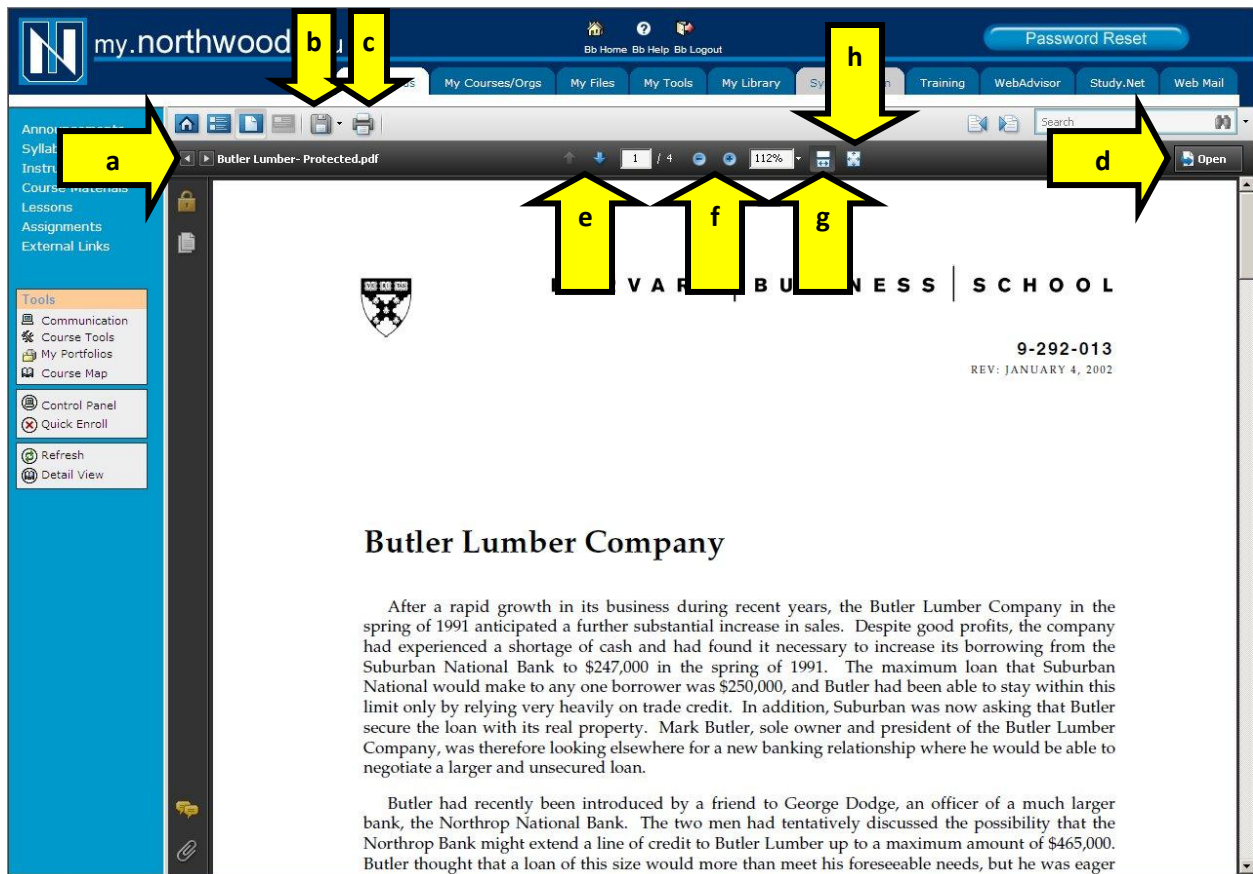
4. Click a file image icons to preview cases, double-click file image to open



Case file opens in the content frame of the course.

Navigating a Harvard Case Packet

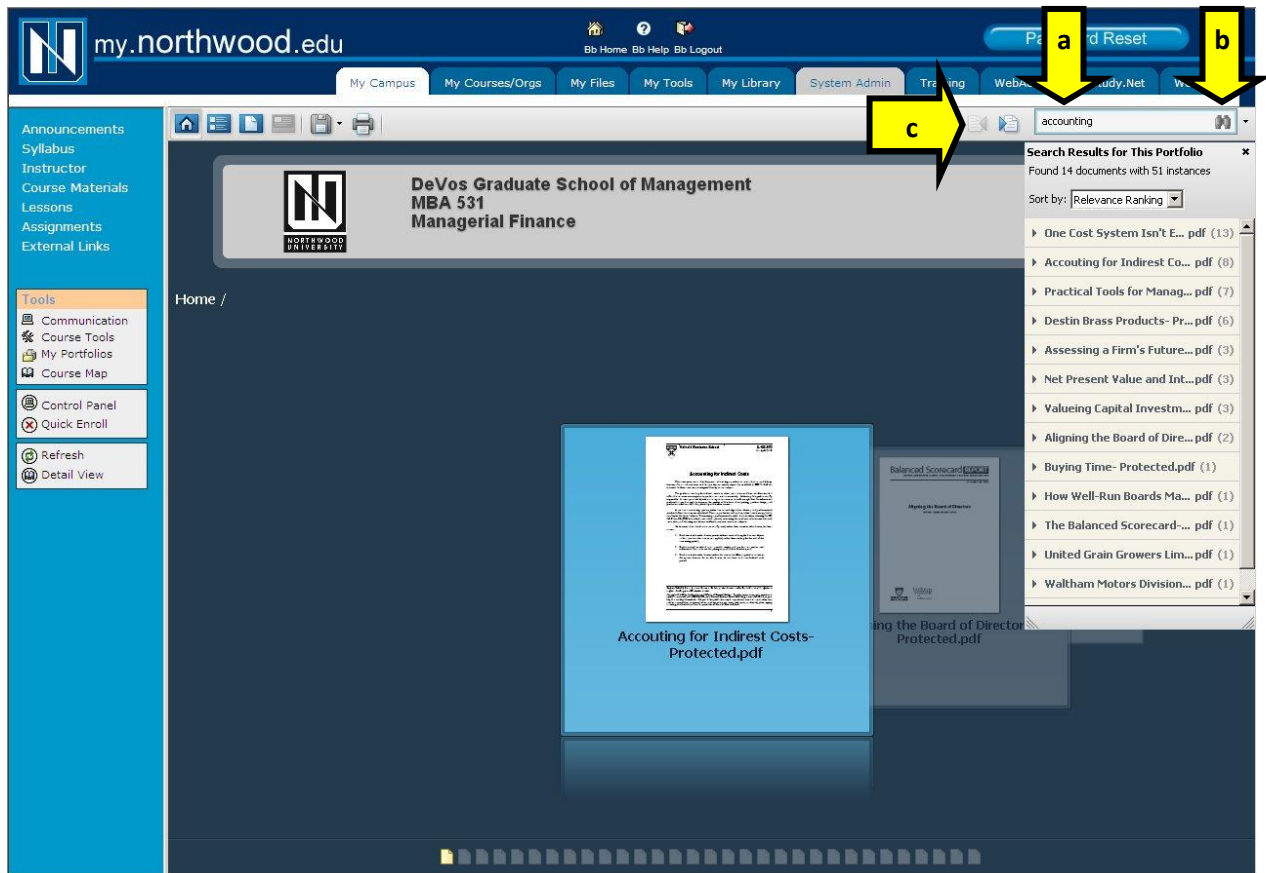
5. An opened case file can be managed with the following tools,



- Move through case files
- Save individual or entire packet
- Print individual case files or entire packet
- Open case in a new window
- Move through pages of a case
- Decrease or increase magnification of the entire page
- Click to scroll vertically through pages of case
- Click to view one case page at a time

Navigating a Harvard Case Packet

6. Search function,



- Type in search term
- Click search tool
- Move from location to location where term is found

Navigating a Harvard Case Packet

7. Left margin tools,

my.northwood.edu

Accounting for Indirect Costs - Protected.pdf

193-070

Accounting for Indirect Costs

The Allocation Process

Even though overhead rates are almost always predetermined, it is easier to think about the process of allocating indirect costs to cost objects as if allocations were done during or after the production process has taken place. After production has taken place, there is no uncertainty about what resources were consumed and what was produced.

The production process, whether for products or services, consumes resources. To obtain or replenish those resources, cash must be expended. For example, supervisors of direct labor must be paid, along with landlords, insurance agents, and building service suppliers. The first step in allocating indirect costs is to assign these expenditures to cost centers. Some cost centers may not be directly involved in the process of production, but they provide services to production cost centers. The costs of these *service centers* need to be allocated to production cost centers so that they can be allocated to products. For example, the costs of a payroll department in a manufacturing plant might be allocated among the production cost centers served by the payroll department. Any costs of service centers not allocated to production cost centers will be treated as period costs, which may cause the measured full cost of cost objects produced to be understated.

Many different allocation bases are used to allocate different costs to cost centers. Some commonly used bases include payroll, number of employees in the cost center, space occupied or used by the cost center, value of materials processed in the cost center, the number of transactions within the cost center or with other cost centers, and the overall level of activity with the cost center.

Once all indirect costs are assigned to production cost centers, cost drivers need to be identified to assign the costs to products or services. Ideally, the cost drivers selected should allocate a fair share of the indirect cost to each unit. If all units of products or services are homogeneous, then a cost driver related to volume is usually appropriate. However, when a variety of products or services is produced, cost drivers such as labor hours, machine hours, number of setups, or transactions are often used. Exhibit 1 is a schematic diagram for a cost accounting system for a

- Security settings
- Click to review pages using thumbnail images
- Review case comments (if any have been created)
- View attachments (if any files are attaché)