

Course Syllabus

Department: Business

Date: February 3, 2006

I. Course Prefix and Number: ACC102

Course Name: Principles of Managerial Accounting

Credit and contact hours: 4

Catalog Description including pre- and co-requisites: Fundamental managerial accounting concepts form the basis for this course. Topics include: cost behavior, product costing in various environments, pro forma statements, budgeting, profitability analysis, planning and control, and financial statement analysis.

Prerequisite is ACC 101

II. Course Outcomes and Objectives

Learning Outcomes Students should be able to demonstrate an understanding of the following:

1. Cost behavior patterns and their relationship to costs, volumes and profits
2. Budgeting concepts.
3. Cost accumulation and allocation
4. Pricing products and services.
5. Responsibility accounting and performance evaluation
6. Planning for capital investments
7. Financial statement analysis.

Relationship to Academic programs and curriculum: Accounting is the language of business and financial reporting is the mode of communication. It is the basis for all managerial business decisions. This course is required in the following degree programs: AAS-Accounting, AS-Business Administration, AAS-Business Administration, and AS-Sports and Tourism Studies

College competencies addressed by the course: Writing, Mathematics, Reading, Professional Competency, Problem Solving, Ethics/Values

III. Methods of Instruction

Types of Course materials: Textbook and working papers (optional)

Methods of instruction: Lecture, practice set, topical videos, problems and cases.

Assessment measures: Documented Problem Set Solutions

Methods of Evaluation: No fewer than four in-class exams, level of class participation, and some or all of the following; quizzes, case studies, graded homework, and oral presentations.

IV. General Outline of Topics covered

I. Overview of Managerial Accounting

- Differences between Managerial and Financial Accounting
- Product costs in manufacturing companies
- Product costs in service companies
- Emerging trends in managerial accounting

II. Cost Behavior and Profitability Analysis

- Fixed cost behavior
- Variable cost behavior
- Contribution margin
- Relevant range
- Estimating fixed and variable costs

III. Cost, Volume, Pricing Analysis

- Unit contribution margin
- Break even point
- Using contribution approach to estimate the effects of changes in sales price, variable costs and fixed costs

IV. Cost Accumulation, Tracking and Allocation

- Use of cost drivers to accumulate costs
- Direct and indirect costs
- Establishment of cost pools
- Allocation of joint costs

V. Planning for Profit and Cost Control

- The planning process
- Budgeting

VI. Performance Evaluation

- Flexible budgets
- Determination and analysis of budget variances
- Standard costs
- Manufacturing cost variances
 - o Price and Usage variances
 - o Variable overhead variances
 - o Fixed overhead variances

VII. Responsibility Accounting

- Responsibility reports
- Managerial performance measurement
- Responsibility centers

VIII. Planning for Capital Investments

- Capital Investment decisions
- Time value of money
- Techniques for analyzing capital investments
- Techniques for measuring investment cash flows
- Techniques for comparing alternative capital investment opportunities.

IX. Product Costing in Service and Manufacturing Entities

- Cost flows and reporting in a manufacturing environment
- Cost flows and reporting in a service environment.

X. Financial Statement Analysis

- Horizontal analysis
- Vertical analysis
- Ratio analysis
- Strengths and limitations of analytical tools.

XI. Cash Flow Statements – Indirect Method.