

ACC112 Principles of Managerial Accounting FALL 2008

Course Information

Organization	Mercer County Community College
Course Number	ACC112
Credits	4
Contact Hours	4

Description

A study of the uses of accounting information for managerial decision making. Areas covered include: manufacturing, merchandising, and service cost systems: cost-volume-profit analysis; budgeting; and capital investment decision making.

Textbooks

Weygandt, Kieso, Kimmel. *Managerial Accounting: Tools for Business Decision Making*. John Wiley & Sons Inc. **Edition:** 4th.

Core Abilities

- A. Explain the functions of a business.
- B. Describe how accounting data is used to assist in making business decisions.
- C. Calculate accounting data used in making business decisions.
- D. Determine the cost of a manufactured product.

General Education Outcomes

- A. 1.4 Students will logically and persuasively state and support orally and in writing their points of view or findings.
- B. 3.1 Students will identify a problem and analyze it in terms of its significant parts and the information needed to solve it.
- C. 3.2 Students will use appropriate library tools such as cataloging systems to access information in reference publications, periodicals, bibliographies and databases.
- D. 3.3 Students will use computers to access, analyze or present information, solve problems, and communicate with others.
- E. 4.1 Students will identify ethical implications of an issue or situation.
- F. 4.2 Students will analyze and evaluate the strengths and weaknesses of different perspectives on an ethical issue or situation.
- G. 5.1 Students will translate quantifiable problems into mathematical terms and solve these problems using mathematical or statistical procedures.

Competencies

1. Explain the Statement of Cash Flows - Chapter Thirteen
Learning Objectives
 - a. Indicate the usefulness of the statement of cash flows.
 - b. Distinguish among operating, investing, and financing activities.
 - c. Prepare a statement of cash flows using the indirect method.
 - d. Use the statement of cash flows to evaluate a company.
2. Discuss the concepts of managerial accounting - Chapter One
Learning Objectives
 - a. Explain the distinguishing features of managerial accounting.
 - b. Define the three classes of manufacturing costs.
 - c. Distinguish between product and period costs.
 - d. Indicate how cost of goods manufactured is determined.
3. Explain the elements of a job order cost system - Chapter Two
Learning Objectives
 - a. Explain the characteristics and purposes of cost accounting.
 - b. Describe the flow of costs in a job order cost accounting system.
 - c. Indicate how the predetermined overhead rate is determined and used.
 - d. Prepare entries for jobs completed and sold.
 - e. Distinguish between under-and-overapplied manufacturing overhead.
4. Explain the elements of a process cost system - Chapter Three
Learning Objectives
 - a. Understand who uses process cost systems.
 - b. Explain the similarities and differences between job order and process cost systems.
 - c. Explain the flow of costs in a process cost system.
 - d. Make journal entries to assign manufacturing costs in a process cost system.
 - e. Compute equivalent units.
5. Compare and contrast Traditional Costing and Activity-Based Costing - Chapter Four
Learning Objectives
 - a. Recognize the difference between traditional costing and activity-based costing.
 - b. Understand the benefits and limitations of activity-based costing.
 - c. Calculate unit costs using ABC.
 - d. Explain just-in-time (JIT) processing.
6. Use Cost-Volume-Profit concepts to make managerial decisions - Chapter Five
Learning Objectives
 - a. Distinguish between variable, fixed costs, and mixed costs.
 - b. Explain the significance of the relevant range.
 - c. Indicate what contribution margin is and how it can be expressed.
 - d. Identify the three ways to determine the break-even point.
 - e. Define margin of safety and compute it.
 - f. Calculate the sales required to earn a target income.

7. Implement managerial decisions by using the budgetary planning process - Chapter Nine
Learning Objectives
 - a. Indicate the benefits of budgeting.
 - b. State the essential of effective budgeting.
 - c. Identify the budgets that comprise the master budget.
 - d. Explain the principal sections of a cash budget
8. Describe how Budgets can implement responsibility accounting - Chapter Ten
Learning Objectives
 - a. Discuss the concept of budgetary control.
 - b. Explain the development of flexible budgets and the usefulness of flexible budget.
 - c. Indicate the features of cost centers, profit centers and responsibility centers.
 - d. Explain the basis and formulas used in evaluating performance in investment centers.
9. Explain how standards are used in a cost center for control of costs - Chapter Eleven
Learning Objectives
 - a. Distinguish between a standard and a budget,
 - b. Identify the advantages of standard costs.
 - c. State the formulas for determining direct materials, direct labor, and manufacturing overhead variances.
10. Use incremental analysis to solve short term management decisions - Chapter Seven
Learning Objectives
 - a. Define relevant revenues and costs.
 - b. Describe the decision making process involved in: special price orders, make or buy, process further, asset replacement. unprofitable segment
11. Describe the capital budgeting process for decision making - Chapter Twelve
Learning Objectives
 - a. Discuss the capital budgeting evaluation process.
 - b. Describe the cash payback technique.
 - c. Explain the net present value method.
 - d. Describe the profitability index.
 - e. Explain the internal rate of return method.
 - f. Describe the annual rate of return method.

Grading Information

Grading Scale

60%	Tests
15%	Written Projects
5%	Quizzes and Class Work
20%	Final Exam

Guidelines for Success

Attendance

Students are expected to attend all class meetings. In addition, students may be required to allow additional time to take tests in the college's testing center.

Tests

Students are expected to take all tests at the time the tests are scheduled. Unless there are verifiable extenuating circumstances, approved by the instructor, no student will be allowed to make-up any missed test. Any missed test will result in a zero grade. TESTS ARE NOT GRADED ON A CURVE.

Quizzes, Homework, Projects

Unannounced quizzes may be given during class time. NO MAKE-UP is allowed on a quiz. Out-of-class assignments must be completed and turned in on the date designated by the instructor. All projects must be typed and double-spaced. No handwritten assignments will be accepted.

Withdrawals

If a student decides to discontinue attending the course, it is the student's responsibility to follow through and officially withdraw from the course before the withdrawal deadline date. Failure to do this may result in the student receiving an "F" grade for the course. Before withdrawing, discuss your concerns with your instructor.

Classroom Conduct

It is students' responsibility to attend all of their classes. If they miss a class meeting for any reason, students are responsible for all content that is covered, for announcements made in their absence, and for acquiring any materials that may have been distributed in class. It is expected that students be on time for all their classes. If students walk into a class after it has begun, it is expected that they choose a seat close to where they entered the room so that they do not disrupt the class meeting.

Students are expected to follow ordinary rules of courtesy during class sessions. Engaging in private, side conversations during class time is distracting to other students and to the instructor. It is not appropriate to leave the class early without having informed the instructor before the class begins. Unless there is an emergency, leaving class and returning while the class is in session is not acceptable behavior. Disruptive behavior of any type, including sharpening pencils during class while someone is speaking, is not appropriate. Please turn off cell phones before the class begins. The college welcomes all students into an environment that creates a sense of community pride and respect; we are all here to work cooperatively and to learn together.

Academic Integrity

Academic integrity refers to the total quality of the search for knowledge which a student undertakes. A student will be guilty of violating academic integrity if he/she:

- a. knowingly represents the work of others as his/her own,
- b. uses or obtains unauthorized assistance in the execution of an academic work,
- c. gives fraudulent assistance to another student.