

Accounting 2020 Managerial Accounting

SYLLABUS Summer 2015

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A. TEXT

Managerial Accounting – 14th edition – Garrison, Noreen, Brewer – 978-0078111006

B. COURSE DESCRIPTION

Required of student pursuing majors in the School of Business, and open to other interested students. Introduction to managerial accounting principles, including product costing, cost volume profit analysis, profit planning, capital budgeting and financial statement analysis.

Prerequisites: ACCT 2010, CIS1200 or CIS 1201. 3 lecture hours per week

C. LEARNING OUTCOMES

The mission of the Udvar-Hazy School of Business is to prepare students for successful employment, advanced learning and service to community. We are committed to providing an environment that embraces experiential learning, stimulates academic excellence and incorporates ethical considerations.

Goals

1. Provide student with accounting and core business knowledge and skills that enable attainment of advanced accounting degrees and success in rapidly changing, competitive professional environment (Core Theme One – A Culture of Learning)
2. Develop students' awareness of and analytical and decision-making skills regarding business ethical issues (Core Theme Two – A Culture of Values)
3. Establish partnerships with the community and alumni to provide an education that responds to local and industry needs and afford valuable, applied learning opportunities and community engagement. (Core Theme Three – A Culture of Community)
4. Employ highly qualified faculty members who foster open, innovative, analytical, and student-focused learning environments. Support academically and professionally active faculty who model continuous improvement in their practice and service. (Core Theme One – A Culture of Learning)

Accounting Department Student Learning Outcomes

Accounting professionals are looked upon as trusted business advisors and must develop and maintain high standards of professionalism, ethics, and technical competency. Irrespective of the interest area in which the individual works, be it accounting and bookkeeping, auditing, tax, or consultation, accountants are expected to be able to: **identify** relevant issues; **gather** information related to those issues; **compile and synthesize** that information into a format useful for its intended users; and **communicate or report** the results in an effective and reliable manner. Therefore, it is important that we as educators instill those competencies into our students. Upon completion of an accounting degree at Dixie State University, students will demonstrate the ability to:

1. **Identify:** identify accounting, tax, auditing and ethical issues in structured and unstructured fact-based situations.
2. **Gather:** perform research using the professional body of knowledge in the accounting discipline.
3. **Compile/Synthesize:** use a range of techniques to perform analysis, synthesize information and draw conclusions.
4. **Communicate/Report:** communicate effectively in quantitative and qualitative terms through writing and speaking.

D. COURSE OBJECTIVES

- Identify and give examples of each of the three basic manufacturing cost categories (I, CR)
- Prepare income statements for a merchandising company using the traditional and contribution formats (CS, CR)
- Compute a predetermined overhead rate (CS, CR)
- Apply overhead costs to jobs using a predetermined overhead rate (CS, CR)
- Prepare schedules of costs of goods manufactured and costs of goods sold in an income statement (I, G, CS, CR)
- Compute the equivalent units of production using the weighted-average method (CS, CR)
- Prepare and interpret a cost-volume-profit (CVP) graph and profit graph (CS, CR)
- Use the contribution margin ratio (CM ratio) to compute changes in contribution margin and net operating income resulting from changes in sales volume (CS, CR)
- Determine the level of sales needed to achieve a desired target profit (I, G, CS, CR)
- Determine break-even point (I, G, CS, CR)
- Compute margin of safety and explain its significance (I, G, CS, CR)
- Explain how variable costing differs from absorption costing and compute unit product costs under each method (I, G, CS)
- Prepare income statements using both variable and absorption costing (I, G, CS, CR)
- Reconcile variable costing and absorption costing net operating incomes and explain why the two amounts differ (CS, CR)
- Understand why organizations budget and the processes they use to create budgets (I)
- Prepare the various budgets organizations will use in practice (sales budget, production budget, direct materials budget, direct labor budget, manufacturing overhead budget, selling and administrative budget, and cash budget) (I, G, CS, CR)
- Prepare a budgeted income statement and a budgeted balance sheet (CS, CR)
- Prepare a report showing activity, revenue and spending variances (CS, CR)
- Compute the direct materials quantity and price variances and explain their significance (I, G, CS, CR)
- Compute the direct labor efficiency and rate variances and explain their significance (I, G, CS, CR)
- Compute the variable manufacturing overhead efficiency and rate variances and explain their significance (I, G, CS, CR)
- Compute return on investment (ROI) and show how changes in sales, expenses, and assets affect ROI (I, G, CS, CR)
- Compute residual income and understand its strengths and weaknesses (I, G, CS, CR)

- Prepare an analysis showing whether a product line or other business segment should be added or dropped (I, G, CS, CR)
- Prepare a make or buy analysis (I, G, CS, CR)
- Prepare an analysis showing whether a special order should be accepted (I, G, CS, CR)
- Evaluate the acceptability of an investment project using the net present value method and the internal rate of return method (I, G, CS, CR)
- Classify cash inflows and outflows as relating to operating, investing or financial activities (I)
- Prepare a statement of cash flows using the indirect method to determine the net cash provided by operating activities (I, G, CS, CR)
- Compute free cash flow (I, G, CS, CR)
- Prepare and interpret financial statements in comparative and common-size form (I, G, CS, CR)
- Compute and interpret financial ratios that would be useful to a common stockholder, a short-term creditor and a long-term creditor (I, G, CS, CR)

E. EXAMINATIONS

Five examinations are given in Managerial Accounting 2020. All exams will be taken in the classroom. Individuals taking a late exam will have a reduction of 10 points. Any form of cheating may result in an F grade for the course.

F. HOMEWORK

Homework will be collected randomly at the beginning of class on five occasions. No later homework will be accepted.

G. GRADING

EXAMS	80%
*HOMEWORK	<u>20%</u>
	100%

*Homework will not be graded on its accuracy. It will be graded on the effort made. If you could do all the homework correctly, you would not need to take the course.

A	93.0-100%	C	73.0-76.9%
A-	90.0-92.9%	C-	70.0-72.9%
B+	87.0-89.9%	D+	67.0-69.9%
B	83.0-86.9%	D	63.0-66.9%
B-	80.0-82.9%	D-	60.0-62.9%
C+	77.0-79.9%	F	BELOW 60%

*The grading scheme is as follows:

Strong effort	=	95%
Moderate effort	=	80%
Little or no effort	=	40%

**Managerial Accounting – Accounting 2020
Tentative Schedule of Reading & Assignments**

Day	Date	Class
M	Jun 22	ORIENTATION & INTRODUCTION TO CH. 15
T	Jun 23	EXERCISES 15-1, 15-2, 15-3, 15-4
W	Jun 24	EX 14-1 THRU 14-4
R	Jun 25	EX 2-1, 2-2, 2-3, 2-4, 2-11
M	Jun 29	EX 3-1, 3-3 EXAM ON CHAPTERS 15, 14, & 2
T	Jun 30	EX 3-4, 3-5, 3-8, 3-10
W	Jul 1	EX 4-1, 4-2, 4-3
R	Jul 2	EX 5-1, 5-2, 5-3, 5-4, 5-12
M	Jul 6	EX 6-1, 6-3 EXAM ON CHAPTERS 3, 4, & 5
T	Jul 7	EX 6-4 THRU 6-9
W	Jul 8	EX 8-1 THRU 8-9
R	Jul 9	EX 9-1 THRU 9-5
M	Jul 13	EXAM ON CHAPTERS 6, 8, & 9
T	Jul 14	EX 10-1 THRU 10-6
W	Jul 15	EX 11-1 THRU 11-3
R	Jul 16	EXAM ON CHAPTERS 10 & 11
M	Jul 20	EX 12-4 THRU 12-6
T	Jul 21	EX 13-1 THRU 13-3
W	Jul 22	EX 13-4 THRU 13-6
R	Jul 23	EXAM ON CHAPTERS 12 & 13