

ACCOUNTING 2020

MANAGERIAL ACCOUNTING

SYLLABUS SPRING 2010

Instructor: Derrick Esplin, CPA

Cell: 435-619-4460

Home: 435-635-2867

E-mail: derrickesplin@yahoo.com

Office Location and Hours:

Udvar-Hazy Building Room 341

By Appointment

A. TEXT

Managerial Accounting - 13th edition – Garrison, Noreen, Brewer

B. COURSE DESCRIPTION

Managerial Accounting is the second class in a series of two classes which constitute the basic course in accounting fundamentals. Completion of the entire series is required of all majors in Accounting, Business Management, Economics, Finance and Marketing. This is an introductory course to managerial accounting principles. Coverage includes product costing, cost-volume-profit analysis, profit planning, capital budgeting and financial statement analysis.

Prerequisites: ACCT 2010, CIS 1200. 3 lecture hours per week. Monday, Wednesday, Friday. 10:00 am to 10:50 am.

B. COURSE OBJECTIVES

Chapter 1 – Managerial Accounting and the Business Environment

1. LO1 – Understand the role of management accountants in an organization.
2. LO2 – Understand the basic concepts underlying Lean Production, the Theory of Constraints (TOC), and Six Sigma.
3. LO3 – Understand the importance of upholding ethical standards.

Chapter 2 – Managerial Accounting and Cost Concepts

1. LO1 – Identify the major differences and similarities between financial and managerial accounting.
2. LO2 – Identify and give examples of each of the three basic manufacturing cost categories.
3. LO3 – Distinguish between product costs and period costs and give examples of each.
4. LO4 – Prepare an income statement including calculation of the cost of goods sold.
5. LO5 – Prepare a schedule of cost of goods manufactured.
6. LO6 – Understand the differences between variable costs and fixed costs.
7. LO7 – Understand the differences between direct and indirect costs
8. LO8 – Understand cost classifications used in making decisions; differential costs, opportunity costs, and sunk costs.

Chapter 3 – Systems Design : Job-Order Costing

1. LO1 – Distinguish between process costing and job-order costing and identify companies that would use each costing method.
2. LO3 – Compute predetermined overhead rates and explain why estimated overhead costs (rather than actual overhead costs) are used in the costing process.
3. LO4 – Understand the flow of costs in a job-order costing system and prepare appropriate journal entries to record costs.
4. LO5 – Apply overhead cost to Work in Process using a predetermined overhead rate.
5. LO6 – Prepare schedules of cost of goods manufactured and cost of goods sold.
6. LO7 – Compute underapplied or overapplied overhead cost and prepare the journal entry to close the balance in Manufacturing Overhead to the appropriate accounts.

Chapter 5 – Cost Behavior: Analysis and Use

1. LO1 – Understand how fixed and variable costs behave and how to use them to predict costs.
2. LO2 – Use a scattergraph plot to diagnose cost behavior.
3. LO3 – Analyze a mixed cost using the high-low method.
4. LO4 – Assign costs to units using the weighted average method.

Chapter 6 – Cost-Volume-Profit Relationships

1. LO1 – Explain how changes in activity affect contribution margin and net operating income.
2. LO2 – Prepare and interpret a cost-volume-profit (CVP) graph and a profit graph.
3. LO3 – Use the contribution margin ration (CM ratio) to compute changes in contribution margin and net operating income resulting from changes in sales volume.
4. LO4 – Show the effects on contribution margin of changes in variable costs, fixed costs, selling price and volume.
5. LO5 – Determine the level of sales needed to achieve a desired target profit.
6. LO6 – Determine the break-even point.
7. LO7 – Compute the margin of safety and explain its significance.

Chapter 7 – Variable Costing: A Tool for Management

1. LO1 – Explain how variable costing differs from absorption costing and compute unit product costs under each method.
2. LO2 – Prepare income statements using both variable and absorption costing.
3. LO3 – Reconcile variable costing and absorption costing net operating incomes and explain why the two amounts differ.
4. LO4 – Understand the advantages and disadvantages of both variable and absorption costing.

Chapter 9 – Profit Planning

1. LO1 – Understand why organizations budget and the process they use to create budgets.
2. LO2 – Prepare a sales budget, including a schedule of expected cash collections.
3. LO3 – Prepare a production budget.
4. LO4 – Prepare a direct materials budget, including a schedule of expected cash disbursements for purchases of materials.
5. LO5 – Prepare a direct labor budget
6. LO6 – Prepare a manufacturing overhead budget.
7. LO7 – Prepare a selling and administrative expense budget.
8. LO8 – Prepare a cash budget.
9. LO9 – Prepare a budgeted income statement.
10. LO10 – Prepare a budgeted balance sheet.

Chapter 10 – Flexible Budgets and Performance Analysis

1. LO1 – Prepare a flexible budget
2. LO2 – Prepare a report showing activity variances.
3. LO3 – Prepare a report showing revenue and spending variances.
4. LO4 – Prepare a performance report that combines activity variances and revenue and spending variances.

Chapter 11 – Standard Costs and Operating Performance Measures

1. LO1 – Explain how direct materials standards and direct labor standards are set.
2. LO2 – Compute the direct materials price and quantity variances and explain their significance.
3. LO3 – Compute the direct labor rate and efficiency variances and explain their significance.
4. LO4 – Compute the variable manufacturing overhead rate and efficiency variances.
5. LO5 – Compute delivery cycle time, and manufacturing cycle efficiency (MCE).

Chapter 13 – Relevant Costs for Decision Making

1. LO1 – Identify relevant and irrelevant costs and benefits in a decision.
2. LO2 – Prepare an analysis showing whether a product line or other business segment should be dropped or retained.
3. LO3 – Prepare a make or buy analysis.
4. LO4 – Prepare an analysis showing whether a special order should be accepted.
5. LO5 – Determine the most profitable use of a constrained resource and the value of obtaining more of the constrained resource.
6. LO6 – Prepare an analysis showing whether joint products should be sold at the split-off point or processed further.

Chapter 14 – Capital Budgeting Decisions

1. LO1 – Evaluate the acceptability of an investment project using the net present value method.
2. LO2 – Evaluate the acceptability of an investment project using the internal rate of return method.
3. LO3 – Evaluate an investment project that has uncertain cash flows.
4. LO4 – Rank investment projects in order of preference.
5. LO5 – Determine the payback period for an investment.
6. LO6 – Compute the simple rate of return for an investment.

Chapter 15 - “How Well Am I Doing?” Statement of Cash Flows

1. LO2 – Classify transactions as operating, investing, or financing activities.
2. LO3 – Prepare a statement of cash flows using the indirect method to determine the net cash provided by operating activities.

Chapter 16 - “How Well Am I Doing?” Financial Statement Analysis

1. LO1 – Prepare and interpret financial statements in comparative and common-size form.
2. LO2 – Compute and interpret financial ratios that would be useful to a common stockholder.
3. LO3 – Compute and interpret financial ratios that would be useful to a short-term creditor.
4. LO4 – Compute and interpret financial ratios that would be useful to a long-term

D. CLASS HOURS

Accounting 2020 meets three days a week, Monday, Wednesday and Friday, 10:00 A.M. - 10:50 A.M. These periods will be devoted to introductory lectures of new material, review of homework problems and chapter quizzes.

E. EXAMINATIONS & QUIZZES

Five examinations will be given in Managerial Accounting 2020. All exams (except for the Final Exam) will be taken in the Testing Center on the scheduled days. A chapter quiz will be administered in class at the end of each chapter. **Except under very unusual circumstances, no late quizzes and/or exams will be allowed! It is ok to take the quizzes or exams early and a student wishing to do so will need to get with me to schedule prior to the actual exam or quiz date.**

F. HOMEWORK

Homework is to be typed using a word processor or spreadsheet application. Homework will be randomly called for and points assigned. We will correct homework each day so as to give instant feedback. Preparation and review of homework will be most beneficial as students prepare for quizzes and exams.

G. GRADING

Grading is not on a curve. Your grade will be based on the percentage of total points earned.

1. EXAMS	70%
2. CHAPTER QUIZZES	20%
3. HOMEWORK*	10%
TOTAL	100%

A	93.0 – 100.0%	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%

***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 the course.**

Please note: If you are a student with a medical, psychological or a learning difference and requesting reasonable academic accommodations due to the disability, you must provide an official request of accommodations to your Professor from the Disability Resource Center within the first two weeks of the beginning of classes. Students are to contact the center on the main campus to follow through with, and receive assistance in the documentation process to determine appropriate accommodations related to their disability. You may call 652-7516 for an appointment and further information regarding the American with Disabilities Act (ADA) of 1990 per Section 504 of the Rehabilitation Act of 1973.

DMAIL Statement

Important class and college information will be sent to your Dmail email account. This information includes your DSC bill, financial aid/scholarship notices, notification of dropped classes, reminders of important dates and events, and other information critical to your success in this class and DSC. All DSC students are automatically assigned a Dmail email account. If you don't know your user name and password, go to www.dixie.edu choose MyDSC & Logins and then Login to Student-Mail. And follow the instructions. You will be held responsible for information sent to your Dmail email. So please check it often.

ACCOUNTING 2020 – MANAGERIAL ACCOUNTING SCHEDULE OF ASSIGNMENTS AND READINGS

DAY	DATE	CLASS
MON	JAN 11	INTRODUCTION, Ex. 1-1, 1-2, 1-3
WED	JAN 13	CHAPTER 1, Problem 1-5, 1-8
FRI	JAN 15	QUIZ CHAPTER 1
MON	JAN 18	NO SCHOOL
WED	JAN 20	CHAPTER 2, Ex. 2-1, 2-2, 2-3
FRI	JAN 22	CHAPTER 2, Ex. 2-4, 2-5, 2-10
MON	JAN 25	QUIZ CHAPTER 2
WED	JAN 27	CHAPTER 3, Ex. 3-1, 3-3, 3-4
FRI	JAN 29	CHAPTER 3, Ex. 3-5, 3-8, 3-10
MON	FEB 1	QUIZ CHAPTER 3 – EXAM REVIEW
WED	FEB 3	EXAM – CHAPTERS 1,2 & 3
FRI	FEB 5	CHAPTER 5, Ex. 5-1, 5-2, 5-3
MON	FEB 8	CHAPTER 5, Ex. 5-4, 5-12
WED	FEB 10	QUIZ CHAPTER 5
FRI	FEB 12	CHAPTER 6, Ex. 6-1, 6-3, 6-4, 6-5
MON	FEB 15	NO SCHOOL
WED	FEB 17	CHAPTER 6, Ex. 6-6, 6-7, 6-8, 6-9
FRI	FEB 19	QUIZ CHAPTER 6 – EXAM REVIEW
MON	FEB 22	EXAM – CHAPTERS 5 & 6
WED	FEB 24	CHAPTER 7, Ex 7-1, 7-2
FRI	FEB 26	CHAPTER 7, Ex 7-3, 7-4
MON	MAR 1	QUIZ CHAPTER 7
WED	MAR 3	CHAPTER 9, Ex 9-1, 9-2, 9-3, 9-4, 9-5
FRI	MAR 5	CHAPTER 9, Ex 9-6, 9-7, 9-8, 9-9
MON	MAR 8	NO SCHOOL
WED	MAR 10	NO SCHOOL
FRI	MAR 12	NO SCHOOL
MON	MAR 15	QUIZ CHAPTER 9
WED	MAR 17	CHAPTER 10, Ex 10-1, 10-2, 10-3
FRI	MAR 19	CHAPTER 10, Ex 10-4, 10-5, 10-6
MON	MAR 22	QUIZ CHAPTER 10 – EXAM REVIEW
WED	MAR 24	EXAM – CHAPTERS 7,9 & 10
FRI	MAR 26	CHAPTER 11, Ex 11-1, 11-2, 11-3
MON	MAR 29	CHAPTER 11, Ex. 11-4, 11-5, 11-10
WED	MAR 31	QUIZ CHAPTER 11
FRI	APR 2	CHAPTER 13, Ex. 13-1, 13-2, 13-3
MON	APR 5	CHAPTER 13, Ex. 13-4, 13-5, 13-6
WED	APR 7	QUIZ CHAPTER 13
FRI	APR 9	CHAPTER 14, Ex. 14-1, 14-2, 14-3
MON	APR 12	CHAPTER 14, Ex. 14-4, 14-5, 14-6
WED	APR 14	QUIZ CHAPTER 14 – EXAM REVIEW
FRI	APR 16	EXAM – CHAPTERS 11,13 & 14
MON	APR 19	CHAPTER 15, Ex. 15-1, 15-2, 15-3
WED	APR 21	CHAPTER 15, Ex. 15-4, 15-5, 15-6
FRI	APR 23	QUIZ CHAPTER 15
MON	APR 26	CHAPTER 16, Ex. 16-1, 16-2, 16-3
WED	APR 28	CHAPTER 16 – EXAM REVIEW
April 30 th – May 6 th - Finals Week		EXAM – CHAPTERS 15 & 16

Problems assigned are due the following class period.
This schedule is subject to change.