

ACCOUNTING 2020 MANAGERIAL ACCOUNTING

SYLLABUS FALL 2010

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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. Wednesday Evenings, 5:15 – 7:45

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

1. LO1 – Classify changes in noncash balance sheet accounts as sources or uses of cash.
2. LO2 – Classify transactions as operating, investing, or financing activities.
3. LO3 – Prepare a statement of cash flows using the indirect method to determine the net cash provided by operating activities.
4. LO4 – Compute free cash flow.

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 creditor.

D. CLASS HOURS

Accounting 2020 meets once a week, on Wednesdays, from 5:15 P.M. to 7:45 P.M. These periods will be devoted to introductory lectures of new material, review of homework problems and chapter quizzes.

E. EXAMINATIONS & QUIZZES

Five examinations are given in Managerial Accounting 2020. All exams 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 early or late quizzes and/or exams will be allowed!

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*	<u>10%</u>
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.**

Disability Statement:

Students with medical, psychological, learning or other disabilities desiring reasonable academic adjustment, accommodations, or auxiliary aids to be successful in this class will need to contact the DISABILITY RESOURCE CENTER Coordinator (Baako Wahabu) for eligibility determination. Proper documentation of impairment is required in order to receive services or accommodations. DRC is located at the ground floor of the Financial Aid Office. Visit or call 652-7516 to schedule appointment to discuss the process. DRC Coordinator determines eligibility for and authorizes the provision of services.

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

FALL 2010 SCHEDULE

<u>WEEK</u>	<u>ASSIGNMENTS</u>
AUG 25	Introduction, Start Chapter 1, Exercise 1-1, 1-2, 1-3, Problem 1-5, 1-8
SEPT 1	Chapter 1 Homework due, Chapter 1 Quiz, Start Chapter 2, E 2-1, 2-2, 2-3, 2-4, 2-5, 2-10
SEPT 8	Chapter 2 Homework due, Chapter 2 Quiz, Start Chapter 3, E 3-1, 3-3, 3-4, 3-5, 3-8, 3-10
SEPT 15	Review Chap 3 Homework, Chapter 3 Quiz, Hand out Chapter 1-3 Test Study Guide, Start Chapter 5, E 5-1, 5-2, 5-3, 5-4, 5-12(Exam #1 will be in Testing Center until 9/20 – Test on chapters 1,2 and 3)
SEPT 22	Review Chap 5 Homework, Chapter 5 Quiz, Start Chapter 6, E 6-1, 6-3, 6-4, 6-5, 6-6, 6-7, 6-8, 6-9
SEPT 29	Review Chapter 6 Homework, Chapter 6 Quiz, Hand Out Chapter 5-6 Test Study Guide, (Exam #2 will be in Testing Center until 10/4 – Test on chapters 5 and 6)
OCT 6	Start Chapter 7, E 7-1, 7-2, 7-3, 7-4
OCT 13	Review Chap 7 Homework, Chapter 7 Quiz, Start Chapter 9, E 9-1, 9-2, 9-3, 9-4, 9-5, 9-6, 9-7, 9-8, 9-9
OCT 20	Review Chap 9 Homework, Chapter 9 Quiz, Start Chapter 10, E 10-1, 10-2, 10-3, 10-4, 10-5, 10-6
OCT 27	Review Chap 10 Homework, Chapter 10 Quiz, Chapter 7,9-10 Test Study Guide, (Exam #3 will be in Testing Center until 11/1 – Test on chapters 7,9 and 10)
NOV 3	Start Chapter 11, E 11-1, 11-2, 11-3, 11-4, 11-5, 11-10
NOV 10	Review Chap 11 Homework, Chapter 11 Quiz, Start Chapter 13, E 13-1, 13-2, 13-3, 13-4, 13-5, 13-6
NOV 17	Review Chapter 13 Homework, Chapter 13 Quiz, Hand Out Review for Chap 11 and Chap 13 Exam (Exam #4 will be in testing center until 11/29 – Test on chapters 11 and 13)
NOV 24	Thanksgiving Break – No School

DEC 1	Start Chapter 15, E 15-1, 15-2, 15-3, 15-4, 15-5, 15-6
DEC 8	Review Chapter 15 Homework, Chapter 15 Quiz, Start Chapter 16, E 16-1, 16-2, 16-3 (Chapter 16 homework to be done in class working together)
DEC 15	Final Exam Week, Exam: Chapters 15 and 16 (Final Exam will be in class)

Homework that is assigned will be due the following week at the start of class (Example: Homework listed on Aug 25th will be due at the start of class on Sept 1st).

This schedule is subject to change.