



Purpose: It is the intention of this Administrative-Master Syllabus to provide a general description of the course, outline the required elements of the course and to lay the foundation for course assessment for the improvement of student learning, as specified by the faculty of Wharton County Junior College, regardless of who teaches the course, the timeframe by which it is instructed, or the instructional method by which the course is delivered. It is not intended to restrict the manner by which an individual faculty member teaches the course but to be an administrative tool to aid in the improvement of instruction.

Course Title – Principles of Managerial Accounting
Course Prefix and Number – ACCT 2402
Department - Business and Office Administration **Division** - Technology and Business
Course Type: (check one)
 Academic General Education Course (from ACGM – but not in WCJC Core)
 Academic WCJC Core Course
 WECM course (This course is a Special Topics or Unique Needs Course: Y or N)

Semester Credit Hours # : Lecture hours# : Lab/other hours # 4:3:2

Equated Pay hours for course - 4

Course Catalog Description - Introduction to cost behavior, budgeting, responsibility accounting, cost control, and product costing.

List Lab/ Other Hours
Lab Hours 2
Clinical Hours
Practicum Hours
Other (list)

Prerequisites/Corequisites - ACCT 2401

Approvals – the contents of this document have been reviewed and are found to be accurate.

Prepared by Mary Wilson	Signature <i>Mary Wilson</i>	Date 7/09
Department Head Mary Wilson	Signature <i>Mary Wilson</i>	Date 7/09
Division Chair	Signature <i>S Dees</i>	Date 7/27/09
Vice President	Signature <i>Jy Pate</i>	Date 7-28-09



I. Topical Outline – Each offering of this course must include the following topics (be sure to include information regarding lab, practicum, clinical or other non lecture instruction):

Upon successful completion of this course, the student will be able to:

- Describe and illustrate the types of cash flow activities reported in the statement of cash flow.
- Use financial analysis to interpret financial statements.
- Describe managerial accounting and its role in business.
- Describe accounting systems used by manufacturing businesses.
- Distinguish between job order costing and process costing systems.
- Classify costs by their behavior as variable costs, fixed costs, or mixed costs.
- Describe and illustrate income reporting under variable and absorption costing.
- Describe budgeting, its objectives, and its impact on human behavior.
- Describe material, labor, and overhead variances, and how they are used.
- List and explain the advantages and disadvantages of centralized operations.
- Apply differential analysis to business decisions.
- Explain the nature and importance of capital investment analysis.
- Explain how activity based costing (ABC) can be used to allocate factory overhead.
- Compare and contrast just-in-time (JIT) manufacturing practices with traditional manufacturing practices.

II. Course Learning Outcomes

Course Learning Outcome	Method of Assessment
Students will know the fundamentals of managerial accounting including manufacturing costs systems, cost behavior, and cost-volume-profit analysis.	Ninety percent of students will correctly answer at least 70% of the questions on a comprehensive, standardized departmental exit exam.

III. Required Text(s), Optional Text(s) and/or Materials to be Supplied by Student.

Fundamental Financial & Managerial Accounting Concepts; 1st Edition, 2007; Edmonds; McGraw Hill
ISBN: 978-0-07-284600-3.

A #2 pencil for completing Scantron forms when testing and Scantron forms for completing the tests.

IV. Suggested Course Maximum - 35

V. List any specific spatial or physical requirements beyond a typical classroom required to teach the course.

A data projector is needed for the teacher to use when presenting concepts and demonstrating problems throughout the course.

VI. Course Requirements/Grading System – Describe any course specific requirements such as research papers or reading assignments and the generalized grading format for the course

- Unit Tests = 65%
- Comprehensive final exam = 10%
- Classroom exercises & quizzes = 25%

Reading Assignments	
Ch 13	Upon completing this chapter, you will be able to communicate useful information based on horizontal and vertical analysis, ratio analysis, calculate ratios for assessing a company's liquidity and solvency and determine the management's effectiveness. You will also be able to assess a company's position in the stock market and understand the limitations of financial statement analysis.
Ch 14	The learner will be able to distinguish between financial and managerial accounting. Upon completion of this chapter, the learner will be able to identify cost components of a manufactured product; understand the need for determining the average cost per unit and distinguish between a cost and an expense; the effects on financial statement of pre-cut costs versus general, selling and administrative costs; explain cost classification effects on financial statements and managerial decisions. The learner will also distinguish product costs from upstream and downstream costs; explain how products provided by service companies differ from products made by manufacturing companies and explain how emerging trends affect managerial accounting as well as looking at the standards of ethical conduct.
Ch 13 & 14	Test 1
Ch 15	After completing this chapter, you will be able to distinguish between fixed and variable costs and mixed costs; demonstrate the effects of operating leverage on profitability and show how cost behavior affects profitability; prepare an income statement using the contribution margin approach and calculate the magnitude of operating leverage. Use cost behavior to create a competitive operating advantage, demonstrate how the relevant range and the decision-making context affect cost behavior. You will also select a time period for calculating the average cost per unit and use the high-low method to estimate fixed and variable costs.
Ch 16	In this chapter, the learner will describe the relationships among cost objects, cost drives, and cost accumulation; distinguish direct costs from indirect costs and select the appropriate cost drives to allocate indirect costs and be able to calculate those costs and determine why companies establish indirect cost pools. You will be able to solve problems to make cost-plus pricing decisions; explain the allocation of common costs and recognize the human motivation variable in the allocation process.
Ch 15 & 16	Test 2
Ch 17	Upon mastery of this chapter you will be able to explain the need for and costing for service and product costs information and explain the cost flow from raw materials ultimately to the cost of goods sold. You will be able to determine the cost flow and estimate overhead costs, record applied and actual overhead costs and understand the relationship between over and/or underapplied overhead and variance analysis. Upon completion you will also be able to prepare a schedule of cost of goods manufactured and sold; prepare financial statements and distinguish between absorption and variable costing.
Ch 18	In this chapter, the learner will understand the difference between job-order and process cost systems, determine how products costs flow through the job-order cost system and identify how product costs flow through a process system. You will be able to distinguish between raw materials costs and transferred-in costs and explain how hybrid accounting systems combine components of job-order and process cost systems. You will be able to convert partially completed units into equivalent units and explain how accounting events in both systems affect financial statements.
Ch 17 & 18	Test 3
Ch 19	Upon completion of this chapter, you will be able to determine the sales price of a product using the cost-plus pricing; calculate the break-even point and the contribution per unit to determine the sales volume to reach a target profit and to do a profit analysis. You will also be able to calculate the margin of safety and determine the contribution margin ratio and the equation method to conduct a cost-volume-profit analysis as well as the limitations of this analysis.
Ch 20	Determine relevant information and recognize sunk costs, distinguish between various costs and how they affect decisions, and identify opportunity costs as well as qualitative and quantitative characteristics of decision making. Determine how to make appropriate decisions using relevant information.
Ch 21	Describe the budgeting process and the relationship between budgeting and human behavior. Prepare a sales budget and related schedule of cash receipts and an inventory purchases budget and a schedule of cash payments, a selling and administrative expense budget and a cash payments schedule as well as prepare a cash budget.

Ch 19, 20, & 21	Test 4
Ch 22	Distinguish between flexible and static budgets; compute revenue and cost variances and their favorability; sales volume variances and how they affect fixed and variable costs; compute flexible budgets and compare difference between those and actual budgets; evaluate practical standards and their motivation of employee performance.
Ch 23	Describe the concept of decentralization and the differences among cost, profit, and investment centers; prepare responsibility reports and explain the controllability concept. Evaluate investment opportunities using both the return on investment and the residual income technique.
Ch 24	Explain the time value of money concept and apply it to capital investment decisions; determine the present value of future cash flows and the present value of an investment opportunity. Determine the internal rate of return on investments and the payback period as well as the unadjusted rate of return for an investment.
Ch 22, 23, and 24	Test 5
	Standardized, comprehensive departmental exit exam

VII. Curriculum Checklist

- **Academic General Education Course** (from ACGM – but not in WCJC Core)
No additional documentation needed

- **Academic WCJC Core Course**
Attach the Core Curriculum Checklist, including the following:

- Basic Intellectual Competencies
- Perspectives
- Exemplary Educational Objectives

- **WECM Courses**
Attach the following:

- Program SCANS Matrix
- Course SCANS Competencies Checklist