

Principles of Managerial Accounting (ACCT 2302)



Credit: 3 semester credit hours (3 hours lecture)

Prerequisite/Co-requisite: ACNT 1303 or ACCT 2301 with at least a grade of “C”

Course Description

This course is an introduction to the use of accounting information in managerial planning, decision making, and control. Course includes examination of cost behavior, cost-volume profit analysis, and budgeting.

Required Textbook and Materials

Introduction to Managerial Accounting, 7th edition. Brewer, Garrison, & Noreen. McGraw-Hill Irwin, 2015. ISBN 978-0-07-802579-2

Course Objectives

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

1. Understand the importance of managerial accounting information for decision making.
2. Track the flow of costs through an organization using an accounting information system
3. Comprehend how manufacturing costs respond to changes in activity and the related effects on cash flow and income.
4. Use the budgeting process to develop scenarios that affect planning and control.
5. Make capital investment decisions using the factors of cost-volume profit analysis and budgeting.

Course Outline

- | | |
|--|---|
| <p>A. Managerial Accounting and Cost Concepts</p> <ol style="list-style-type: none">1. General Cost Classifications2. Product Costs versus Period Costs3. Cost Classifications for Predicting Cost Behavior4. Analysis of Mixed Costs <p>B. Job Order Costing</p> <ol style="list-style-type: none">1. Job-Order Costing – An Overview2. Job-Order Costing – The Flow of Costs | <ol style="list-style-type: none">3. Underapplied and Overapplied Overhead <p>C. Activity-Based Costing</p> <ol style="list-style-type: none">1. Assigning Overhead Costs to Products2. Designing and Using an Activity-Based Costing System3. Evaluation of Activity-Based Costing <p>D. Process Costing</p> <ol style="list-style-type: none">1. Cost Flows in Process Costing2. Equivalent Units of Production3. Compute and Apply Costs |
|--|---|

ACCT 2302

Course Syllabus

- E. Cost-Volume-Profit Relationships
 - 1. The Basics of Cost-Volume-Profit Analysis
 - 2. Target Profit and Break-even Analysis
 - 3. Sales Mix
- F. Variable Costing and Segment Reporting
 - 1. Overview
 - 2. Reconciliation of Variable Costing with Absorption Costing Income
 - 3. Segmented Income Statements
- G. Profit Planning
 - 1. Basic Framework of Budgeting
 - 2. Preparing the Master Budget
 - 3. Variable Costing and Segment Reporting
- H. Flexible Budgets, Standard Costs, and Variance Analysis
 - 1. The Variance Analysis Cycle
 - 2. Flexible Budget Variances
 - 3. Using Standard Costs
- I. Performance Measurement in Decentralized Organizations
 - 1. Decentralization in Organizations
 - 2. Responsibility Accounting
 - 3. ROI – Return on Investment
- J. Differential Analysis: The Key to Decision Making
 - 1. Cost Concepts for Decision Making
 - 2. The Make or Buy Decision
 - 3. Opportunity Cost
- K. Capital Budgeting Decisions
 - 1. Planning Investments
 - 2. The Net Present Value Method
 - 3. Ranking Investment Projects

Course Evaluation

Final grades will be calculated according to the following criteria:

4 Exams	80%
Final Exam	20%

Grade Scale

90 – 100	A
80 – 89	B
70 – 79	C
60 – 69	D
0 – 59	F

Course Requirements

- 1. Build accounting foundations necessary to analyze and record business transactions.

ACCT 2302
Course Syllabus

2. Prepare financial statements such as the Balance Sheet, Income Statement and the Statement of Owner's Equity.
3. Weekly Access to Blackboard Website

Course Policies

1. Purchase required materials including textbook and supplements.
2. Proper classroom decorum will be maintained at all times.
3. *Absolutely no disruptions* will be tolerated. Disruptive students will be asked to leave.
4. No food, drinks, or use of tobacco products in class.
5. Beepers, telephones, headphones, and any other electronic devices *must be turned off* while in class.
6. Do not bring children to class.
7. Homework Policy: All homework should be completed and brought to class for review by the date assigned by the instructor. Homework may be collected and graded randomly.
8. Assignments Policy: Late assignments will not be accepted. Students that turn in an assignment late will receive a grade of '0'. Occasionally, the instructor may have an assignment to be completed in-class for a grade. If you are absent for the class when an assignment is given, you will receive a zero. Any missed in-class assignments and/or quizzes will be not be given the opportunity to be made-up.
9. Test Policy: Makeup exams will not be given. Missed exams will result in a grade of '0'.
10. Attendance Policy: Attendance will be taken at the beginning of each class period. If a student is tardy to class or misses a class altogether, that student is still responsible for all work and/or discussion missed. It is the student's responsibility to determine what it is he or she missed, not the instructor's. *The instructor will not take additional time outside of class to inform an absent student of what occurred during the class period.* The best source of missed material or assignments is a classmate.
11. Classroom Policy: Classroom computers are to be used exclusively for educational purposes during the scheduled class period. Unauthorized use of the internet is prohibited, such as social networking (MySpace, Facebook, etc.), gaming, music download sites and pornography. Feel free to use the classroom printer as needed, however, there should be no printing once the class period has begun.
12. If you wish to drop a course, the student is responsible for initiating and completing the drop process. If you stop coming to class and fail to drop the course, you will earn an 'F' in the course.
13. Additional class policies as defined by the individual course instructor.

ACCT 2302
Course Syllabus

Disabilities Statement

The Americans with Disabilities Act of 1992 and Section 504 of the Rehabilitation Act of 1973 are federal anti-discrimination statutes that provide comprehensive civil rights for persons with disabilities. Among other things, these statutes require that all students with documented disabilities be guaranteed a learning environment that provides for reasonable accommodations for their disabilities. If you believe you have a disability requiring an accommodation, please contact the Special Populations Coordinator at (409) 880-1737 or visit the office in Student Services, Cecil Beeson Building.

Course Schedule

Date	Topic	Chapter	Homework
14-Jan	Introduction		
19-Jan	Managerial Accounting and Cost Concepts	1	
21-Jan	Managerial Accounting and Cost Concepts	1	Ex. 3, 4, 5, 6, 7, 12
26-Jan	Job Order Costing	2	
28-Jan	Job Order Costing	2	Ex. 7, 11, 10, 14, 19
2-Feb	Activity Based Costing	3	
4-Feb	Activity Based Costing	3	Ex. 2, 5, 8, 6, 7
9-Feb	EXAM I	1-3	
11-Feb	Process Costing	4	
16-Feb	Process Costing	4	Ex. 2, 3, 4, 12, Pr. 13A
18-Feb	CVP Relationships	5	
23-Feb	CVP Relationships	5	Ex. 1,18, 15, 13, Pr. 22A
25-Feb	Variable Costing and Segment Reporting	6	
1-Mar	Variable Costing and Segment Reporting	6	Ex. 1, 2, 3, 4, 9; Pr.19A
3-Mar	EXAM II	4-6	
8-Mar	Master Budgeting	7	
10-Mar	Master Budgeting	7	Ex. 1(1), 3, 10; Pr. 17A (1, 2), 19A (1, 2)
15-Mar	No Class Spring Break		
17-Mar	No Class Spring Break		
22-Mar	Flex Budgets, Standard Costs, Variance Analysis	8	
24-Mar	Flex Budgets, Standard Costs, Variance Analysis	8	Ex. 2, 3, 6, 13; Pr. 18A
29-Mar	Performance Measurement in Decentralized Organizations	9	
31-Mar	Performance Measurement in Decentralized Organizations	9	Ex. 1, 3, 6, 7, 8, 12
5-Apr	EXAM III	7-9	
7-Apr	Differential Analysis	10	
12-Apr	Differential Analysis	10	Ex. 2, 3, 9, 15, 17
14-Apr	Capital Budgeting	11	
19-Apr	Capital Budgeting	11	Ex. 1, 2, 3, 6, 10, 11
21-Apr	Statement of Cashflows	12	
26-Apr	Statement of Cashflows	12	Ex. 2, 3
28-Apr	EXAM IV	10-12	
3-May	Financial Statement Analysis	13	
5-May	Financial Statement Analysis	13	
12-May	FINAL EXAM	1-13	

ACCT 2302
Course Syllabus

Contact Information:

Instructor: Jonathan Pratt
Office: TC 227
Telephone: (409) 550-0678
E-mail: jcpratt@lit.edu
Office Hours: