



ANTELOPE VALLEY COLLEGE
Academic Affairs
Course Outline of Record

Academic Affairs Only

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|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> | New Course |
| <input type="checkbox"/> | Effective Date
(for articulation) |
| <input checked="" type="checkbox"/> | COR Revision 5/13/2010 |
| <input type="checkbox"/> | Pre Req/Advisories |
| <input type="checkbox"/> | Other Changes |
| <input checked="" type="checkbox"/> | SLOs 4/30/2008 |

COURSE SUBJECT & NUMBER: ACCT 205

COURSE NAME: *Managerial Accounting

COURSE UNITS: 4 **COURSE HOURS:** 4 hours weekly

COURSE REQUISITES: *(Follow format of similar courses found in the college catalog.)*

Prerequisite: Completion of ACCT 201 within the past five years

COURSE DESCRIPTION: *(Write a short paragraph providing an overview of topics covered. Be sure to identify target audience--transfer, major, GE, degree/certificate, etc. If repeatable, state the number of times at end of description as (R#).*

Students will learn how to process, report, and communicate managerial accounting information both in written and oral format. They will be able to identify, explain, calculate, and use accounting information to make managerial decisions. BEFORE ENROLLING students should have a basic knowledge of spreadsheets and know how to use word processing. This course is primarily targeted for transfer students. Business or economics majors should take this class the next term after successfully completing ACCT 201.(CSU, UC, AVC)

COURSE OBJECTIVES: *(Title 5 requires that courses show evidence of critical thinking skills. Use Bloom's taxonomy to formulate concise, performance-based measurable objectives common to all students. Objectives must be closely aligned with course content, assignments, and methods of evaluation)*

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

- *1 Employ the use of groups to solve and present the solutions to financial cases using word processing, presentation software, and spreadsheets.
- *2. Examine and evaluate the importance of ethics in managerial accounting.
- *3. Differentiate between financial and managerial accounting.
- *4. Prepare and interpret a cost of goods manufacturing schedule.
 5. Calculate and record job costing journal entries.
- *6. Prepare and interpret process costing production reports.
- *7. Analyze detail of cost behavior and the contribution format income statement
- *8. Calculate and evaluate break-even and target sales using cost behavior techniques.
 9. Calculate and reconcile net incomes using absorption and variable costing.
- *10. Prepare and analyze activity-based costing data.
 11. Prepare operating budgets both manually and using spreadsheets.
 12. Examine and prepare flexible budgets.
- *13. Calculate and analyze variances using standard costing.
- *14. Examine and interpret decentralization by preparing segmented managerial reports.
- *15. Employ and analyze relevant cost data for decision-making purposes.
- *16. Explore and apply capital budgeting as it relates to present value concepts.

* Denotes SCANS competencies.

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COURSE CONTENT: *(Enter course content in terms of specific topics or a specific body of knowledge that each instructor must cover. Put topics in outline form with major and minor headings. Each instructor must cover all material listed below.)*

- I. Presentation of group cases using word processing, presentation software, and spreadsheets.
 - A. Students organize in groups outside of class and assign specific parts of the case to solve.
 - B. Students use content from specific chapters to solve the cases using critical thinking.
 - C. Students assemble written reports and present their findings orally in the class using word processing, presentation software, and/or spreadsheets.
- II. The importance of ethics in managerial accounting
 - A. Identifying and explaining the 4 distinct principles of ethics in the business world.
 - B. Importance of the Sarbanes-Oxley Act as related to corporate ethics.
 - C. Examination of the Certified Management Accountant (CMA) certificate and its value in managerial accounting.
- III. Comparing financial and managerial accounting.
 - A. Understanding the specific differences between financial and managerial accounting.
 - B. Identifying the work of management and the need for managerial accounting information
- IV. The cost of goods manufacturing schedule
 - A. The three manufacturing costs used in the schedule
 - B. Differentiating product costs and period costs
 - C. Understanding in which financial statements manufacturing costs appear
 - D. Introduction to cost behavior
- V. Job-order costing
 - A. Measuring direct materials, direct labor, and manufacturing overhead
 - B. Problems of applying manufacturing overhead
 - C. Understanding the flow of costs
 - D. Recording journal entries and related financial statements
- VI. Process costing production reports
 - A. Differentiation of job costing and process costing.
 - B. Computing equivalent units of production, cost per equivalent unit, and assigning costs to the output
 - C. Examining a hybrid between job costing and process costing--operation costing.
- VII. Cost behavior and the contribution format income statement
 - A. Identify specific examples and the behavior of variable and fixed costs
 - B. Analysis of mixed costs including scattergraphs and the high-low method
 - C. Understand and prepare the contribution format income statement
- VIII. Cost-volume-profit relationships
 - A. Importance of contribution margin per unit and contribution margin ratio
- B. Application of cost-volume-profit concepts
- C. Computations dealing with break-even analysis and target profit
- D. Dealing with sales mix and assumptions of cost-volume-profit analysis
- IX. Absorption and variable costing
 - A. Differentiating between absorption and variable costing
 - B. Computation of unit product costs and preparation of absorption and variable costing income statements
 - C. Reconciliation of variable costing net income with absorption costing net income
- X. Activity-based costing
 - A. Examining how costs are treated under activity based costing
 - B. Designing an activity based costing system
 - C. The mechanics of activity based costing
 - D. Comparing traditional and ABC product costs
- XI. Profit planning
 - A. Examining the framework of the operational budgeting process
 - B. Preparing the master budget which includes the all-important cash budget
 - C. Preparation and submission of a spreadsheet-generated cash budget
- XII. Flexible budgets
 - A. How flexible budgets work
 - B. Computing and analyzing flexible budget variances
- XIII. Standard costing and operating performance measures
 - A. Setting standard costs
 - B. Direct material, direct labor, plus variable manufacturing overhead variances including comparing standard to actual costs
 - C. Computing delivery cycle, throughput time, and manufacturing cycle efficiency
- XIV. Decentralization and segmented financial reporting
 - A. Understanding and preparation of segmented income statements
 - B. Evaluating investment center performance using return on investment and residual income
 - C. Examining the balanced scorecard and transfer pricing
- XV. Relevant costs for decision making
 - A. Identifying relevant and irrelevant costs
 - B. Consideration of dropping a segment and make or buy decisions
 - C. Utilization of contained resources and joint product costs
- XVI. Capital budgeting techniques
 - A. Discounted cash flows--net present value method and internal rate of return method
 - B. Expanding net present value
 - C. Other approaches to capital budgeting decisions

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TYPICAL HOMEWORK ASSIGNMENTS: (Do not include in-class work, quizzes, or tests)

This information is necessary for all credit courses. Assignments should be closely related to course objectives, content, and methods of evaluation. (See sample of a “Model Outline” in the AP&P Standards & Practices Handbook.) Include a range of assignments (minimum of three) from which faculty may choose when designing their syllabus.

1. Describe nature and frequency of typical reading assignments if applicable; note if any are required:

Students will be required to read and study approximately 30 pages per week from the textbook. Students will independently research material in connection with course objectives.

2. Describe nature and frequency of typical writing assignments if applicable; note if any are required:

Students will be required to reply in narrative format to at least 5 end-of-chapter questions per week plus make written responses to the narrative portions of exercises and problems. Students will also be required to make written responses toward out-of-class group case projects.

3. Describe nature and frequency of typical computational assignments if applicable; note if any are required:

Students will be required to solve approximately 3 exercises and 3 problems per week, using specialized business math and algebra skills. One or more times during the semester students will be using their math skills to solve case problems in out-of-class groups and on an individual basis in conjunction with using technology software.

4. Describe other types of homework assignments that students may be asked to complete (oral presentations; special projects; visual/performing arts; etc); note if any are required:

Students are required to give oral presentations as part of group case projects. Students will be preparing for these assignments as part of their homework.

For categories 1-4 above, list the estimated hours per week it would take a student to complete assignments. Title 5 (section 55002) requires that each unit must be shown to require three hours of work per week by the student either in or out of class. Homework formula: 3 hours of class work times each unit of credit minus classroom hours equals required homework hours.

Reading Assignments: 2

Writing Assignments: 2

Computational Assignments: 4

Other Assignments: 1

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METHODS OF INSTRUCTION: *(Methods must be consistent with content and appropriate to objectives; state in terms of what instructor will be doing in order to present course content to students: for example, lecture, demonstration, present audio/visual materials; facilitate group work, etc. Do not list specific instructional equipment.)*

Instructor will lecture, facilitate discussion of accounting topics, demonstrate exercises and problems, and facilitate group work.

METHODS OF EVALUATION: *(These must be clearly related to course objectives and reflect course content and assignments in order to comply with Title 5 requirements. Describe what instructor will be looking for when evaluating various assignments and tests in order to determine whether students have met course objectives. Grades must be based on demonstrated proficiency in subject matter and determined, where appropriate, by essays, objective and essay tests, research papers or projects, problem solving exercises, or skills' demonstrations.)*

Students will be evaluated on demonstrated proficiency in managerial accounting based on weekly homework assignments, quizzes, objective tests, essays, group case work with written reports and oral presentations, and an individual technology-based assignment. (Objectives 1 through 16)

Homework assignments typically include a writing component and computational problems to assess comprehension of chapter material. (Objectives 2 through 16)

Quizzes are typically objective, but require computation and analysis. (Objectives 2 through 16)

Tests are primarily objective, but also include subjective sections, requiring computations, problem solving skills, and writing brief essays. Tests assess comprehension of chapter material based on accuracy of computations. (Objectives 2 through 16)

The individual technology assignment is graded on demonstrated comprehension of the effective operation of spreadsheet software to prepare a cash budget and is graded on accuracy and completeness (Objective 11).

The group case work and oral presentations are graded on demonstrated comprehension of accounting concepts, writing, analysis and presentation of accounting information. (Objective 1)

Suggested Texts or Other Instructional Materials

(List several when possible; include title, author, publisher, date, and latest edition. If older than five years, provide brief rationale.)

MANAGERIAL ACCOUNTING, Garrison, Noreen, & Brewer, McGraw-Hill Irwin, Thirteenth Edition, 2010