

ACCOUNTING 202 COURSE GUIDE

Managerial Accounting

Text: Weygandt – Kieso – Kimmel (3rd Edition)

Primary Learning Objectives: Develop students who have a functional knowledge of the basic managerial accounting principles. Improve the student's analytical and writing skills. Develop a functional knowledge of basic managerial accounting principles which will include at a minimum:

- (1) An understanding of the differences between financial and managerial accounting,
- (2) The ability to calculate costs in a job order and a process cost accounting system and understand how the costs flow through the system,
- (3) An understanding of the types of costs and how they behave in order to calculate cost-volume-profit relationships,
- (4) An understanding of the types of budgets and be able to prepare operating budgets, financial budgets and capital budgets,
- (5) And gain an understanding of management's decision-making process as it relates to product pricing, production, equipment replacement, etc.

Specific Learning Standards emphasized in this course include:

Communication Skills - Uses standard English grammar in oral & written forms. Applies listening skills appropriate to situations. Reads with comprehension. Communicates effectively in oral and written forms, including presentations.

Critical Thinking - Analyzes, synthesizes, and evaluates from a wide variety of information sources. Utilizes logic.

Technological Proficiency - Demonstrates knowledge and use of current technology for problem solving including: appropriate software tools, internet, and discipline-specific applications.

Ethics – Demonstrates knowledge of moral concepts. Recognizes ethical dilemmas.

Course Specifics: Enrollment in Accounting 202 requires successful completion of Accounting 201. All students who intend to major in Accounting must earn at least a "C" average in this course.

The following indicates the learning objectives in each chapter that should be given the most emphasis in lecture, problem assignments, and testing. Other learning objectives may be covered at the instructor's discretion.

<i>Chp#</i>	<i>Chapter Title</i>	<i>Learning Objectives to be Emphasized</i>
1	Managerial Accounting	<ul style="list-style-type: none">• Explain the distinguishing features of managerial accounting• Define the three classes of manufacturing costs and distinguish between product and period costs• Explain the difference between a merchandising and a manufacturing income statement and explain how cost of goods manufactured is determined
2	Job Order Cost Accounting	<ul style="list-style-type: none">• Describe the flow of costs in a job order cost accounting system and explain the job cost sheet• Show how predetermined overhead is calculated and show how under- and overapplied manufacturing overhead is handled• Prepare entries for jobs completed and sold
3	Process Cost Accounting	<ul style="list-style-type: none">• Explain the similarities and differences between job order cost and process cost systems and determine who uses each• Explain the flow of costs in a process cost system and prepare the journal entries• Explain the four steps necessary to calculate and prepare a Production Cost Report
4	Activity-Based Costing	<ul style="list-style-type: none">• Recognize the difference between traditional and activity-based costing• Identify the steps in the development of an activity-based costing system• Know how companies identify the activity cost pools and the activity cost drivers• Differentiate between value-added and nonvalue-added activities• Apply activity-based costing to service industries• Explain Just-in-Time processing
5	Cost-Volume-Profit Relationships	<ul style="list-style-type: none">• Distinguish between variable and fixed costs• Explain the concept of mixed costs and the high-low method• Explain contribution margin and identify the three ways to calculate break-even point• Define margin of safety and give the formulas for computing

6	Incremental Analysis	<ul style="list-style-type: none"> • Describe the concept of incremental analysis • Show the calculations for accepting an order at a special price, make-or-buy decision, sell or process materials further, and retain or replace equipment • Explain the relevant factors in deciding whether to eliminate an unprofitable segment
7	Variable Costing	<ul style="list-style-type: none"> • Explain the difference between absorption costing and variable costing and how changes in production and sales levels affect net income
8	Pricing	<ul style="list-style-type: none"> • Compute a target cost when a product price is determined by the market • Compute a target selling price using cost-plus pricing • Use time and material pricing to determine the cost of services provided
9	Budgetary Planning	<ul style="list-style-type: none"> • Identify the budgets that comprise the master budget • Describe the process for calculating the budgeted income statement and cash budget
10	Budgetary Control and Responsibility Accounting	<ul style="list-style-type: none"> • Describe the concept of budgetary control • Recognize the difference between static budgets and flexible budgets • Describe the features of responsibility reports and differentiate between cost centers, profit centers and investment centers
11	Standard Costs	<ul style="list-style-type: none"> • Distinguish between a standard and a budget • Identify the advantages of standard costs and describe how standards are set • Show the formulas for determining direct material, direct labor, and manufacturing overhead variances • Explain the importance of inventory turnover and compute a company's operating cycle
12	Planning for Capital Investments	<ul style="list-style-type: none"> • Discuss the concepts of capital budgeting • Explain methods that don't use present value versus those that do use present value • Describe the profitability index