

**WILLIAM PATERSON UNIVERSITY
COTSAKOS COLLEGE OF BUSINESS
DEPARTMENT OF ACCOUNTING AND LAW
COURSE SYLLABUS**

Winter 2020

A. Course Number and Title: ACCT 2120 Managerial Accounting

B. DEPARTMENT OF ACCOUNTING AND LAW

C. COURSE CREDITS AND TYPE: 3 Credits.

D. COURSE AUDIENCE AND PREREQUISITES: Undergraduate Accounting and Business Administration majors. **PRE-REQUISITES: Introduction to Financial Accounting or Principles of Accounting course.**

E. COURSE DESCRIPTION: This course is an introduction to Managerial Accounting and is designed primarily for undergraduate Accounting and Business Administration majors who need to understand how to organize, analyze, and interpret cost accounting information.

F. OBJECTIVES: 1. Understand and be able to interpret events underlying accounting numbers; 2. Understand the relationship between Financial, Cost and Managerial Accounting 3. Understand how cost accounting information is used to make business decisions and 4. Appreciate accounting as a dynamic, changing discipline rather than an inflexible set of rules.

G. EVALUATION OF STUDENTS. There will be ONE midterm examination and a Final Examination. These examinations must be taken on the dates and times scheduled. Make up will only be given in the case of an emergency. Mid-term examination must be made up before any subsequent examinations. If the final examination is missed due to an emergency, an incomplete grade will be given in the course. Your final grade in the course will be determined as follows: Mid-term examination 25%, Final examination 25%, Homework 30% and Discussion Board 20%. Note the great emphasis given to homework assignments.

H. GRADES. All grades will be administered according to the following standard: **Numerical Grade Letter Grade**
92 - 100 A; 89 - 91 A-; 86 - 88 B+; 82 - 85 B; 79 - 81 B-; 76 - 78 C+; 72 - 75 C; 69 - 71 C-; 66 - 68 D+; 63 - 65 D; 60 - 62 D-; 59 and Below F

I. TEXTBOOK. Braun, Tiezt, Harrison. **Managerial Accounting 5th Edition. Prentice Hall. With Myaccountinglab access code**

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K. TEACHING METHODS: The lectures will focus a good deal on transactions analysis. It is the intention of this course to develop your analytical and reasoning skills. Accordingly, the readings and problems assigned require a considerable investment of time. It is strongly recommended that you spend approximately 6 -9 hours of study per week. It has been our experience that students who are not able to spend the amount of time recommended encounter much difficulty in properly understanding the material presented in the course.

L. CHEATING POLICY. Remember cheating includes plagiarism. All work submitted must be your own work.

M. MAKE-UP POLICY. You will be allowed to make-up a missed examination at the discretion of the instructor. Only valid excuses limited strictly to personal emergency will be accepted. You must make every effort to inform the instructor that you will miss a scheduled examination.

N. HOMEWORK AND OTHER ASSIGNMENTS. Homework Assignments, with due dates will be posted in MyAccountinglab. Additional homework will be posted in the Discussion Board Link in Blackboard.

O. EXPECTED LEARNING OUTCOMES

At the end of this course you should be able to:

1. Describe the role of the Accounting Department in an organization.
2. Identify the key components of an efficient Cost Accounting information system
3. Identify the link between Management Accounting, Cost Accounting and Financial Accounting
4. Demonstrate how accounting information is used for making business decisions.
5. Prepare and interpret a simple set of Cost Accounting ratios.
6. Use Spreadsheets to prepare Cost of Goods Manufactured and Cost of Goods Sold Statements.

COURSE OUTLINE

December 26th – December 27th

Chapter 1: Introduction to Managerial Accounting

The role of management accountants in business

Trends in Management accounting

Chapter 2 : Building blocks of Managerial Accounting

Definition of Cost

Inventoriable cost and Period costs

December 28th – December 31st

Chapter 3: Job Order Costing

Elements of product costs: Direct Materials+ Direct Labor + Overhead

Job Cost Card and its use as a subsidiary ledger

Flow of cost and related journal entries

The Work-in-Process Account

Chapter 4 : Activity Based Costing (ABC)

Use of ABC to allocate costs

Activity cost pools and Activity cost drivers

Jan1st – Jan. 3rd- 2020

Chapter 5: Process Costing:

Building blocks of Process Costing

Equivalent Units of Production

Cost reconciliation

Chapter 6: Cost Behavior

What is cost behavior?

How do changes in volume affect cost behavior?

Variable cost; Fixed Costs; Mixed Cost

Separating variable and fixed cost: High and Low method; Scatter plots; Regression analysis.

Variable cost income statement

January 4th- January 5th

Chapter 7: Cost, Volume, Profit Analysis (CVP)

Assumptions of CVP

The concept of Contribution Margin: Contribution Margin; Contribution Margin Ratio

Breakeven Computation using Contribution Margin and Contribution Margin Ratio

Target Units and Target Profits calculations, Margin of Safety, Cost Structure and Operating leverage.

January 5th MIDTERM EXAMINATION: Chapters 1-7

January 8th – January 9th

Chapter 8: Relevant Costs and Short Term Business Decisions

Relevant information; Sunk costs,

Illustration of several decision situations

Product Mix Decisions

Chapter 9: Budgeting:

What is a budget? How are budgets used?

The Master Budget

Preparation of various budgets for a manufacturer

Capital budgets

January 10th – January 13th

Chapter 10 Standard Costing:

What is a standard?

Standards for: Direct Materials; Direct Labor; Overhead

Calculation of variances for DM, DL, OH

Applied Overhead cost

Chapter 11: Capital Investments and Time Value of Money:

Capital budgeting

Capital Budgeting techniques and Methods: Payback Period; Accounting Rate of Return;

Net Present Value, and Internal Rate of Return

Chapter 12 : Statement of Cash Flows:

Sources of Cash: Operating Activities; Investing Activities, and Financial Activities.

Preparation of Statement of Cash Flows:

Direct Method

Indirect Method

January 14th

FINAL EXAM – Chapters 8-12