



**COWLEY COLLEGE
& Area Vocational Technical School**

COURSE PROCEDURE FOR

**MANAGERIAL ACCOUNTING
ACC1165 3 Credit Hours**

Student Level:

This course is open to students on the college level in the Sophomore year.

Prerequisites:

Minimum grade of C in ACC1160.

Controlling Purpose:

This course is designed to expose students to accounting concepts as they relate to decision-making by internal users of accounting information.

Learner Outcomes:

Upon completion of the course, the student will have an understanding of essential management tools for decision making purposes with a business environment.

Unit Outcomes and Clock Hours of Instruction for Core Curriculum:

The following outline defines the minimum core content not including the final examination period. Instructors may add other material as time allows.

<u>Units of Instruction</u>	<u>Approximate Clock Hours</u>
1. Fundamentals of Managerial Accounting	3
2. Cost Concepts and Analysis	12
3. Information Analysis for Planning and Capital Investment Decisions	15
4. Measurements for Management Control	15

Evaluation Key:

- A = All major and minor goals have been achieved and the achievement level is considerably above the minimum required for doing more advanced work in the same field.
- B = All major goals have been achieved, but the student has failed to achieve some of the less important goals. However, the student has progressed to the point where the goals of work at the next level can be easily achieved.
- C = All major goals have been achieved, but many of the minor goals have not been achieved. In this grade range, the minimum level of proficiency represents a person who has achieved the major goals to the minimum amount of preparation necessary for taking more advanced work in the same field, but without any major handicap of inadequacy in

- his background.
- D = A few of the major goals have been achieved, but the student's achievement is so limited that he is not well prepared to work at a more advanced level in the same field.
- F = Failing, will be computed in GPA and hours attempted.
- N = No instruction or training in this area.

UNIT 1: THE CHANGING BUSINESS ENVIRONMENT

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Explain the differences between managerial and financial accounting.
						Evaluate organizational role of the management accountants.
						Describe the value chain and its usefulness in analyzing a business.
						Identify and explain the management tools used for continuous improvement.
						Explain the balanced scorecard and its relationship to performance measures and prepare an analysis of non-financial data.
						Identify the standards of ethical conduct for management accountants.

UNIT 2: COST CONCEPTS AND COST ALLOCATION

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Describe how managers use information about costs in the management cycle.
						Explain how managers classify costs and how they use these cost classifications.
						Define and give examples of the three elements of product cost and compute the unit cost of a product.
						Describe the flow of costs through a manufacturer's inventory accounts.
						Compare how service, retail, and manufacturing organizations report costs on their financial statements and how they account for inventories.
						Define cost allocation and explain how cost objects, cost pools, and cost drivers are used to assign manufacturing overhead costs.
						Calculate product unit costs and assign manufacturing overhead costs using both the traditional method and activity based costing.
						Apply costing concepts to a service organization.

UNIT 3: COSTING SYSTEMS: JOB ORDER COSTING

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Define the role information about costs plays in the management cycle and explain why unit cost is important.
						Distinguish between the two basic types of product costing systems and identify the information each provides.
						Explain the cost flow in a manufacturer's job order costing system.
						Prepare a job order cost card and compute a job order's product unit cost.
						Apply job order costing to a service organization and distinguish between job order costing and project costing.

UNIT 4: COSTING SYSTEMS: PROCESS COSTING

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Describe the process costing system, identify the reasons for its use, and discuss its role in the management cycle.
						Explain the role of the Work in Process Inventory accounts in a process costing system.
						Define equivalent production and compute equivalent units.
						Prepare a process cost report using the FIFO costing and average costing methods.
						Evaluate operating performance using information about product cost.

UNIT 5: ACTIVITY BASED SYSTEMS: ABM AND JIT

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Explain the role of activity-based systems in the management cycle.
						Define activity-based management (ABM) and discuss its relationship to the supply chain and the value chain.
						Distinguish between value-adding and nonvalue-adding activities, and describe process value analysis.
						Define activity based costing and explain how a cost hierarchy and a bill of activities are used.
						Define the just-in-time philosophy and identify the elements of a JIT operating environment.
						Compare ABM and JIT as activity-based systems.

UNIT 6: COST BEHAVIOR ANALYSIS

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Define cost behavior and explain how managers use this concept in the management cycle.
						Identify variable, fixed, and mixed costs, and separate mixed costs into their variable and fixed components.
						Define the cost-volume-profit (C-V-P) analysis and discuss how managers use it as a tool for planning and control and use it to project the profitability of products and services.
						Define breakeven point and use contribution margin to determine a company's breakeven point for multiple products.

UNIT 7: THE BUDGETING PROCESS

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Define budgeting and explain its role in the management cycle.
						Identify the elements of a master budget in different types of organizations and the guidelines for preparing budgets.
						Prepare the operating budgets that support the financial budgets.
						Prepare a budgeted income statement, a cash budget, and a budgeted balance sheet.
						Describe management's role in budget implementation.

UNIT 8: STANDARD COSTING AND VARIANCE ANALYSIS

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Define standard costs and describe how managers use standard costs in the management cycle.
						Explain how standard costs are developed and compute a standard unit cost.
						Prepare a flexible budget and describe how variance analysis is used to control costs.
						Compute and analyze direct materials, direct labor, and manufacturing overhead variances.
						Explain how variances are used to evaluate managers' performances.

UNIT 9: PERFORMANCE MANAGEMENT AND EVALUATION

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Describe how the balanced scorecard aligns performance with organizational goals, and explain the role of the balanced scorecard in the management cycle.
						Discuss performance measurement, and state the issues that affect management's ability to measure performance.
						Define responsibility accounting and describe the role that responsibility centers play in performance management and evaluation.
						Understand the performance evaluation methods of cost, profit, and investment centers.

UNIT 10: SHORT-RUN DECISION ANALYSIS

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Explain how managers make short-run decisions during the management cycle.
						Define and perform incremental analysis for outsourcing decisions, special order decisions, segment profitability decisions, sales mix decisions, and sell or process-further decisions.

UNIT 11: PRICING DECISIONS, INCLUDING TARGET COSTING AND TRANSFER PRICING

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Identify the objectives and rules used to establish prices of goods and services, and relate pricing issues to the management cycle.
						Describe economic pricing concepts including the auction-based pricing method used on the Internet.
						Use cost based pricing methods to develop prices.
						Describe target costing and use that concept to analyze pricing decisions and evaluate a new product opportunity.
						Describe how transfer pricing is used for transferring goods and services and evaluating performance within a division or segment.

UNIT 12: CAPITAL INVESTMENT ANALYSIS

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Define capital investment analysis and describe its relation to the management cycle.
						State the purpose of the minimum rate of return and identify the methods used to arrive at that rate.
						Identify the types of projected costs and revenues used to evaluate alternatives for capital investment.
						Apply the concept of the time value of money.
						Analyze capital investment proposals using the net present value method, payback period method, and accounting rate-of-return methods.

UNIT 13: QUALITY MANAGEMENT AND MEASUREMENT

Outcomes: Upon completion of this unit, the students will be able to successfully demonstrate the ability to:

A	B	C	D	F	N	Specific Competencies
						Define a management information system and explain how it enhances the management cycle.
						Define TQM and identify financial and non-financial measures of quality.
						Use measures of quality to evaluate operating performance.
						Discuss the evolving concept of quality.
						Recognize and be able to discuss the organizations that promote quality.

Projects Required:

As assigned

Textbook:

Contact Bookstore for current textbook.

Materials/Equipment Required:

Calculator

Attendance Policy:

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Students should adhere to the attendance policy discussed on the first day of class.

Grading Policy:

Grading may vary according to the instructor.

Criterion Based Evaluation:

Grades are based on total points the student earned on

- Unit Exams
- Assigned Problems and Projects
- Final Exam

Letter grades will be assigned according to the following scale.

- A = 100 - 90
- B = 89 - 80
- C = 79 - 70
- D = 69 - 60
- F = 59 and below

Maximum class size:

Based on classroom occupancy.

Course Timeframe:

Total clock hours per week: 3

Catalog Description:

1165 MANAGERIAL ACCOUNTING. 3 hrs. The study of management tools for business decision-making, including the evaluation of financial condition and performance of business. Emphasis is given to the process of formulating and utilizing sound accounting data to evaluate alternatives involved in managerial decision-making necessary for planning, execution, and control of a business enterprise. Prerequisite: Principles of Accounting II.

Academic Code of Conduct:

Cowley College is committed to instilling in its students a high level of academic integrity. Integrity in the classroom is a definite expectation. Students who compromise the integrity of the academic process are subject to disciplinary action by the college.

A violation of academic integrity includes but is not limited to:

- Plagiarism
- Cheating
- Fabrication and Falsification
- Multiple Submission
- Misuse of Academic Materials
- Complicity in Academic Dishonesty

If a student is ever in doubt about the specific guidelines governing individual or group work with respect to a particular course or assignment, be sure to ask the instructor for clarification.

XF Grade

In accordance to the Academic Code of Conduct, an XF grade may be given to:

1. Students who are guilty of academic misconduct on tests or major assignments.
2. Students who knowingly facilitate classmates in academic misconduct on tests or major assignments (will be based upon the decision of the Appeals Committee).
3. Students who commit repeat violations of the Academic Code of Conduct on any class assignments.

The Academic Code of Conduct will be used to define academic misconduct.

If an instructor determines a student should receive an XF grade:

1. The instructor will meet with the student and follow the Academic Code of Conduct to ensure that the student has an initial opportunity to respond.
2. If the instructor still believes the student should receive an XF grade, the instructor will notify the Instructional Office and complete an XF form.
3. The student will then be notified of his/her right to appeal by the Appeals Committee, which will be scheduled as needed.
4. If the student chooses to appeal the X portion of the grade, the Appeals Committee will have the final authority.
5. The student will have the opportunity to remain in the class until the appeal process has been completed. Formal withdrawal from the class will not prevent the student from receiving a grade of XF.
6. A student may not withdraw from a class after receiving a grade of XF.
7. The decision of the Appeals Committee will be the final decision. The student, teacher, and advisor will be notified within 4 business days

To have the first XF grade removed from his/her transcript, the student must perform 20 hours of community service and successfully complete a course on academic honesty by the end of the following semester. The community service will be arranged through A.C.E.S. and will be completed at the discretion of the A.C.E.S. sponsor. The course will be for 1 credit hour at the student's expense with no financial aid or scholarship assistance. The Instructional Office may keep internal records that show the student received an XF grade that was later converted to an F after completion of the required community service and short course on academic honesty.

If a student receives an XF grade for a second time, that grade will remain on his/her transcript with no opportunity for removal. An XF grade cannot be erased from the Academic Fresh Start program.

Academic Misconduct

First Level Resolution

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The original jurisdiction of any case involving academic misconduct shall be with the faculty member whose course the alleged misconduct occurred. If a faculty member suspects a student of an academic misconduct, he/she must inform the student without unnecessary delay of the alleged misconduct and provide the student the opportunity to respond before taking any action. Students suspected of academic misconduct, whether acknowledging involvement or not, shall be allowed to continue the course without prejudice pending disciplinary actions. If the faculty member takes no action within 10 days after informing the student, the allegations shall be considered dismissed.

The faculty member may take one or more of the following actions: alter a grade or assign a grade of "F" in the assignment, examination, or the course and/or recommend an additional sanction up to and including suspension and/or dismissal from the course. The action taken by the faculty member should be reported to their Department Chair/Director and the Instructional Office. The student so affected shall have the right of appeal through the Vice President of Academic and Student Affairs.

Second Level Resolution

If a second offense of academic misconduct occurs during the student's academic career, this WILL result in administrative withdrawal from the institution for a period of one academic year. The student so affected shall have the right of appeal through the Vice President of Academic and Student Affairs.

Third Level Resolution

After one academic year the affected student may re-enroll with the understanding if a violation of the Academic Code of Conduct occurs during their tenure at Cowley College the result will be permanent expulsion from the institution with no right of appeal.

(Institutional Policies: Student Affairs Council: Series 400.00: 402.00 Academic Code Of Conduct)

Disability Services Program:

Cowley College, in recognition of state and federal laws, will accommodate a student with a documented disability. If you have a disability which may impact your work in this class and for which you require accommodations, please contact Mark A. Richardson, the Disability Services Coordinator, located in the Nelson Student Center Room 203 in order for arrangements of needed accommodations. Phone number: Main Campus - 620-441-5557 or North Campuses - 316-554-2724.

E-mail: richardson@cowley.edu

Grade Change/Appeal:

If a student is dissatisfied with a course grade issued by an instructor and believes the grade issued is incorrect, the student may use the following appeal procedures:

- The student shall, within one academic semester following issuance of the grade, confer with the instructor and outline the reason(s) the student feels the grade is incorrect.
- The instructor shall advise the student of the grade change-if applicable.
- If the student is not satisfied with the results of the conference, he/she may request a Student Grade Appeal Form in the office of the Vice President of Academic and Student Affairs or the Dean of North Campuses. A review conference shall be held within the semester that the appeal is filed. The Vice

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President of Academic and Student Affairs, or their designee, the instructor who issued the grade, the Chairperson of the department or the Instructional Director involved or their designee will comprise the committee. The Vice President of Academic and Student Affairs will issue a decision and notify the student in writing within ten (10) days following the review. This decision is final.

(Institutional Policies: Academic Affairs Council: Series 200.00: 263.00 Student Appeal of Course Grade)

Student Code of Conduct

Students attending Cowley College are expected to conduct themselves as responsible individuals at all times while on campus. Acts of incivility or other behavior which interferes with or detracts from the learning-centered environment are not acceptable. In addition, student actions which violate school policies or local, state, or federal laws are not tolerated and may result in dismissal from the college or other disciplinary action.

- **Intoxicating Beverages and/or Illegal Drugs:** No alcoholic or cereal malt beverages and/or illegal drugs shall be allowed on the campus or at school-sponsored functions.
- **Tobacco:** Smoking is not permitted in College facilities. This includes smokeless tobacco products.
- **Dress and Appearance:** Students are expected to be clean and dress within the limits of general trends of dress at this college. Additionally, dress must be in accordance with all laws pertaining to health, sanitation, and insurance.
- **Classroom Expectations:** Students are expected to behave in a civil and professional manner in the classroom. Instructors shall not permit the continued presence of disruptive behavior in class.
- **Visitors and Children:** Only students who are enrolled in classes are allowed to attend. Children and visitors must have prior approval from administration to attend class sessions. While on campus children and visitors must adhere to all school policies. All children under the age of 16 must be under direct supervision of a parent or guardian while on campus.
- **Destruction of Property and/or Theft:** Students are expected to respect the rights and property of other students, faculty, staff, etc.
- **Student Identification Cards:** All enrolled students at Cowley College are required to obtain a student ID card. Students must carry their current ID card with them at all times on campus.
- **Electronic Devices:** Cellular phones, pagers and other electronic devices shall not be used in a manner that causes disruption in the classroom, library or within any college-owned or college-operated facilities. This includes abuse of cellular devices with photographic capability. Utilizing these devices for the purposes of photographing test questions or other forms of academic misconduct or illegal activity is prohibited, as is photographing individuals in secured areas such as lavatories or locker rooms. Taking photographs of any individuals against their will is strictly prohibited.

(Institutional Policies: Student Affairs Council: Series 400.00: 403.00 Student Code Of Conduct)