

CUYAMACA COLLEGE OFFICIAL COURSE OUTLINE

BUSINESS 121 – MANAGERIAL ACCOUNTING

4 hours lecture, 4 units

Catalog Description

Introduces students to the concepts, methods and procedures for the development and use of accounting information to support and assist management in their internal cost accounting processes and financial decision-making. Includes the theory and concepts of cost accounting, use of financial and accounting information for planning, budgeting and control of operations, and methods and analysis to assist managerial accountants in decision-making activities.

Prerequisite

BUS 120 with a grade of "C" or "CR" or better or equivalent

Entrance Skills

Without the following skills, competencies and/or knowledge, any student entering this course will be highly unlikely to succeed:

- 1) Knowledge of rules and procedures related to accrual-based accounting including appropriate terms and definitions
- 2) Analyze transactions and record journal entries in two-column general journal format
- 3) Understand and apply the steps in the periodic processing cycle known as the accounting cycle
- 4) Knowledge and understanding of three main financial statements: balance sheet, statement of income, statement of retained earnings
- 5) Specific knowledge and related calculations with respect to the areas of cash, receivables, inventories, plant assets, liabilities, owners' equity

Course Objectives

Students will be able to:

- 1) Develop an understanding of the cost accounting process including terminology and cost behavior patterns; apply them to job order and process costing systems
- 2) Learn to effectively communicate with controller and other management accountants; understand the basis on which cost information is collected and aggregated
- 3) Evaluate the way cost information is estimated and analyzed in corporate planning and decision-making to prepare for a potential role in the essential corporate process that involves both managers and accountants
- 4) Demonstrate the use and development of accounting information in segment reporting and the control and performance evaluation process
- 5) Evaluate information as to its usefulness in the decision-making process and use pertinent information to measure varied outcomes in problem-solving situations

Special Materials Required of Student

Calculator

Instructional Facilities

- 1) Standard classroom with podium, overhead projector, VCR/monitor
- 2) Access to computer lab

Course Content

- 1) Introduction to managerial accounting
- 2) Cost terminology and concepts
- 3) Job order costing systems
- 4) Process costing systems

- 5) Cost behaviors
- 6) Cost-volume-profit relationships
- 7) Segment reporting and the contribution approach to costing
- 8) Budgeting and responsibility accounting
- 9) Standard costs and variances and performance measures
- 10) Flexible budgets and overhead analysis
- 11) Decentralized operations and transfer pricing
- 12) Pricing of products and services
- 13) Relevant costs for decision-making
- 14) Capital budgeting decisions

Method of Instruction

- 1) Lecture and discussion
- 2) Preview of assignments, review of completed assignments
- 3) Case problems for group discussion and response

Method of Evaluation

A grading system will be established by the instructor and implemented uniformly. Grades will be based on demonstrated proficiency in subject matter determined by multiple measurements for evaluation, one of which must be essay exams, skills demonstration or, where appropriate, the symbol system.

- 1) Participation
- 2) Homework assignments, case problems
- 3) Quizzes, exams

Texts and References

- 1) Required: Garrison, Roy H. Managerial Accounting. 9th edition. Irwin McGraw-Hill, 2000.
- 2) Supplemental:
 - a. Garrison, Roy H. Managerial Accounting. Working papers to accompany text (optional). 9th edition. Irwin McGraw-Hill, 2000.
 - b. Garrison, Roy H. Managerial Accounting. Study guide to accompany text (optional). 9th edition. Irwin McGraw-Hill, 2000.