

**CENTRAL TEXAS COLLEGE**  
**SYLLABUS FOR ACCT 2302**  
**PRINCIPLES OF MANAGERIAL ACCOUNTING**

**Semester Hours Credit: 3**

**INSTRUCTOR:**

**OFFICE HOURS:**

**I. INTRODUCTION**

**A.** An introduction to Managerial Accounting with emphasis on the statement of cash flows, financial analysis, cost behavior, product costing, cost control, cost-volume-profit analysis, budgeting, responsibility accounting, standard costs, and incremental analysis. ACCT 2302 is a required course in Business Administration, AA, Business Management AAS and Entrepreneurship certificate, and Marketing and Sales Management AAS programs.

1. Principles of Managerial Accounting is the second accounting foundation course for accounting and business majors.
2. Prerequisites: ACCT 2301
3. Alphanumeric coding used throughout this syllabus denotes integration of the Secretary's Commission on Achieving Necessary Skills (SCANS) occupational competencies (CA, C1, 2, B, etc.) and foundation skills (B, C1, 2, FA, etc.) for this course. The instructor will ensure the designated SCANS competencies and skills are addressed in the course. A detailed description of each competency/skill is contained in "A SCANS Report for America 2000, Executive Summary", furnished.

**II. LEARNING OUTCOMES**

Upon successful completion of this course, Principles of Managerial Accounting, the student will be able to:

- A.** Identify the major characteristics of a corporation and account for stock transactions.
- B.** Prepare the statement of cash flows and explain its use.

- C. Illustrate and explain the value of financial statement analysis.
- D. Explain managerial accounting, define manufacturing costs, and distinguish between product and period costs.
- E. Discuss and illustrate job-order costing.
- F. Differentiate between traditional costing and activity based costing, and explain the value of activity-based costing.
- G. Illustrate cost-volume-profit analysis.
- H. Discuss the benefits of budgeting and illustrate the budgeting process.
- I. Describe budgetary control and responsibility accounting.
- J. Explain the features of a standard cost accounting system.
- K. The following SCANS competencies and foundations skills will be covered in this course:
  - 1. Foundation Skills
    - a. Basic Skills
      - (1) Reading (FA1)
      - (2) Writing (FA2)
      - (3) Mathematics (FA3)
      - (4) Listening (FA4)
      - (5) Speaking (FA5)
    - b. Personal Qualities
      - (1) Responsibility (FC1)
      - (2) Self-esteem (FC2)
      - (3) Sociability (FC3)
      - (4) Self-management (FC4)
      - (5) Integrity/honesty (FC5)
  - 2. Competencies
    - a. Resources
      - (1) Time (CA1)
      - (2) Money/budget (CA2)
    - b. Information
      - (1) Acquires/uses (CC1)
      - (2) Organizes/maintains (CC2)
      - (3) Interprets/communicates (CC3)

### **III. INSTRUCTIONAL MATERIALS**

- A. Required Text: Financial and Managerial Accounting; Weygandt, Kimmel, & Kieso; First Edition, John Wiley & Sons, Inc., 2012.

Required: Only new books will come packaged with the required software package -- Wiley Plus.

- B. The instructional materials identified for this course are viewable through [www.ctcd.edu/books](http://www.ctcd.edu/books).

#### IV. COURSE REQUIREMENTS

- A. Reading Assignments: Read text assignments prior to class and be prepared to discuss the text material, answering instructor questions orally with well-organized thoughts and ideas. (CC3, FA1 & 5)
- B. Homework Problems will be assigned periodically. Some must be completed and turned in as scheduled, and will count as 20% of the final grade average.
- C. Class Attendance: (Refer to CTC Catalog, page 44 for detailed policy). (FC1 & 4)

Students are expected to attend each class period or be counted absent. You are responsible for all course material missed due to absence. The instructor does not provide class notes for classes missed.

#### V. EXAMINATIONS (CC1 through CC3; CA1, CA2; FA1 through FA5)

- A. There will be three mid-term exams and a comprehensive final exam, each of which will count as 15% of the semester grade.

#### VI. SEMESTER GRADE COMPUTATION PERCENTAGES

A. 4 exams (each worth 15%)	60%
4 graded quizzes (each worth 5%)	20%
10 Graded Homework (each 2% )	<u>20%</u>
	100%

- B. Letter grades will be assigned based on the following percentages:

90-100%	= A
80- 89%	= B
70- 79%	= C
60- 69%	= D
Below 60%	= F

## VII. NOTES AND ADDITIONAL INSTRUCTIONS FROM INSTRUCTOR

- A. Course Withdrawal:** It is the student's responsibility to officially withdraw from a course if circumstances prevent attendance. Any student who desires to, or must, officially withdraw from a course after the first scheduled class meeting must file an Application for Withdrawal (CTC Form 59). The withdrawal form must be signed by the student.

CTC Form 59 will be accepted at any time prior to Friday of the 12th week of classes during the 16-week fall and spring semesters. The deadline for sessions of other lengths is as follows.

10-week session      Friday of the 8th week

8-week session      Friday of the 6th week

5-week session      Friday of the 4th week

The equivalent date (75% of the semester) will be used for sessions of other lengths. The specific last day to withdraw is published each semester in the Schedule Bulletin.

A student who officially withdraws will be awarded the grade of "W," provided the student's attendance and academic performance are satisfactory at the time of official withdrawal. Students must file a withdrawal application with the College before they may be considered for withdrawal.

A student may not withdraw from a class for which the instructor has previously issued the student a grade of "F" or "FN" for non-attendance.

- B. Administrative Withdrawal:** An administrative withdrawal may be initiated when the student fails to meet College attendance requirements. The instructor will assign the appropriate grade on CTC Form 59 for submission to the registrar or through Web Advisor.
- C. Incomplete Grade:** The College catalog states, "An incomplete grade may be given in those cases where the student has completed the majority of the course work but, because of personal illness, death in the immediate family, or military orders, the student is unable to complete the requirements for a course..." Prior approval from the instructor is required before the grade of "IP" for incomplete is

recorded. A student who merely fails to show up for the final examination will receive a zero for the final and an “F” for the course.

- D.** Cellular Phones and Other Electronic Devices: Cellular phones and other devices will be turned off while the student is in the classroom.
- E.** Americans With Disabilities Act (ADA): Disability Support Services provide services to students who have appropriate documentation of a disability. Students requiring accommodations for class are responsible for contacting the Office of Disability Support Services (DSS) located on the central campus. This service is available to all students, regardless of location. Explore the website at [www.ctcd.edu/disability-support](http://www.ctcd.edu/disability-support) for further information. Reasonable accommodations will be given in accordance with the federal and state laws through the DSS office.
- F.** Instructor Discretion: The instructor reserves the right of final decision in course requirements.
- G.** Civility: (FC3) Individuals are expected to be cognizant of what a constructive educational experience is and respectful of those participating in a learning environment. Failure to do so can result in disciplinary action up to and including expulsion.
- H.** Honesty and Integrity: All students are required and expected to maintain the highest standards of scholastic honesty in the preparation of all course work and during examinations. The following will be considered examples of scholastic dishonesty:
  - 1.** Plagiarism: The taking of passages from the writing of others without giving proper credit to the sources.
  - 2.** Collusion: Using another’s work as one’s own; or working together with another person in the preparation of work, unless joint preparation is approved in advance by the instructor.
  - 3.** Cheating: Giving or receiving information on examinations.

Students guilty of scholastic dishonesty will be administratively dropped from the course with a grade of “F” and will be subject to disciplinary action. (FC5)

## **VIII. COURSE OUTLINE**

- A.** Unit One: Corporations
  - 1.** Learning Outcomes: Upon successful completion of this unit, the student will be able to:
    - a. Identify the major characteristics of a corporation
    - b. Account for stock transactions and dividends.
    - c. Identify items reported in retained earnings.

- d. Prepare and analyze a comprehensive stockholders' equity section of the balance sheet.
- 2. Learning Activities:
  - a. Lecture/discussion (FA5, CC1 through CC3)
  - b. Reading assignment (FA1, FC1)
  - c. Student homework (FC1, FC2, FC4, CA1, CA2)
  - d. Review key terms (FA1)
  - e. Group activity (FC1 through FC5, CA1, CXA2, CC3)
- 3. Unit Outline: Follow the sequence of unit learning outcomes.
- B. Unit Two: Statement of Cash Flows**
  - 1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:
    - a. Describe the usefulness of the statement of cash flows.
    - b. Distinguish among operating, investing, and financing activities.
    - c. Prepare a statement of cash flows.
    - d. Analyze the statement of cash flows.
  - 2. Learning Activities:
    - a. Lecture/discussion
    - b. Reading assignment
    - c. Homework and other assignments designated by the instructor
    - d. Review key terms
  - 3. Unit Outline: Follow the sequence of unit learning outcomes.
- C. Unit Three: Financial Statement Analysis**
  - 1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:
    - a. Describe the uses of managerial accounting information.
    - b. Discuss the need for comparative analysis.
    - c. Describe horizontal and vertical analysis.
    - d. Compute ratios used in financial statement analysis.
    - e. Understand earning power and quality of earnings.
  - 2. Learning Activities:
    - a. Lecture/discussion
    - b. Reading assignment
    - c. Homework and other assignments designated by the instructor
    - d. Review the key terms
  - 3. Unit Outline: Follow the sequence of unit learning outcomes.
- D. Unit Four: Managerial Accounting**
  - 1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:
    - a. Identify the three broad functions of management.

- b. Define the three classes of manufacturing costs.
  - c. Distinguish between product and period costs.
  - d. Explain the difference between a merchandising and a manufacturing income statement.
  - e. Indicate how cost of goods manufactured is determined.
  - f. Explain the difference between a merchandising and a manufacturing balance sheet.
- 2. Learning Activities:**
- a. Lecture/discussion
  - b. Reading assignment
  - c. Homework and other assignments by the instructor
  - d. Review key terms
- 3. Unit Outline:** Follow the sequence of unit learning outcomes.
- E. Unit Five: Job Order Costing**
- 1. Learning Outcomes:** Upon successful completion of this unit, the student will be able to:
- a. Explain the characteristics and purposes of cost accounting.
  - b. Describe the flow of costs in a job order cost accounting system.
  - c. Explain the nature and importance of a job cost sheet.
  - d. Indicate how the predetermined overhead rate is determined and used.
  - e. Prepare entries for jobs completed and sold.
  - f. Distinguish between under- and over-applied manufacturing overhead.
- 2. Learning Activities:**
- a. Lecture/discussion
  - b. Reading assignment
  - c. Homework and other assignments by the instructor
  - d. Review key terms
- 3. Unit Outline:** Follow the sequence of unit learning outcomes.
- F. Unit Six: Activity-Based Costing**
- 1. Learning Outcomes:** Upon successful completion of this unit, the student will be able to:
- a. Recognize the difference between traditional costing and activity-based costing.
  - b. Identify the steps in the development of an activity-based costing system.
  - c. Know how companies identify the activity cost pools used in activity-based costing.
  - d. Know how companies identify and use cost drivers in activity-based costing.
  - e. Understand the benefits and limitations of activity-based costing.
  - f. Differentiate between value-added and non-value-added activities.

2. Learning Activities:
    - a. Lecture/discussion
    - b. Reading assignment
    - c. Homework and other assignments by the instructor
    - d. Review key terms
  3. Unit Outline: Follow the sequence of unit learning outcomes.
- G. Unit Seven: Cost-Volume-Profit Analysis**
1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:
    - a. Distinguish between variable and fixed costs.
    - b. Explain the significance of the relevant range.
    - c. Explain the concept of mixed costs.
    - d. List the five components of cost-volume-profit analysis.
    - e. Indicate what contribution margin is and how it can be expressed.
    - f. Identify the three ways to determine the break-even point.
    - g. Give the formulas for determining the sales required to earn target net income.
  2. Learning Activities:
    - a. Lecture/discussion
    - b. Reading assignment
    - c. Homework and other assignments by the instructor
    - d. Review key terms
  3. Unit Outline: Follow the sequence of unit learning outcomes.
- H. Unit Eight: Budgetary Planning**
1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:
    - a. Identify the benefits of budgeting
    - b. State the essentials of effective budgeting
    - c. Identify the budgets that comprise the master budget.
    - d. Describe the sources for preparing the budgeted income statement.
    - e. Explain the principal sections of a cash budget.
  2. Learning Activities:
    - a. Classroom lecture/discussion
    - b. Reading assignment
    - c. Homework and other assignments by the instructor
    - d. Review key terms
  3. Unit Outline: Follow the sequence of unit learning outcomes.
- I. Unit Nine: Budgetary Control and Responsibility Accounting**
1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:

- a. Describe the concept of budgetary control.
  - b. Evaluate the usefulness of static budget reports.
  - c. Explain the development of flexible budgets and the usefulness of the flexible budget reports.
  - d. Describe the concept of responsibility accounting.
  - e. Indicate the features of responsibility reports for cost centers.
  - f. Identify the content of responsibility reports for profit centers.
  - g. Explain the basis and formula used in evaluating performance in investment centers.
2. Learning Activities:
    - a. Lecture/discussion
    - b. Reading assignment
    - c. Homework and other assignments by the instructor
    - d. Review key terms
  3. Unit Outline: Follow the sequence of unit learning outcomes.
- J. Unit Ten: Standard Costs and Balanced Scorecard**
1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:
    - a. Distinguish between a standard and a budget.
    - b. Identify the advantages of standard costs.
    - c. Describe how standards are set.
    - d. State the formulas for determining variances.
    - e. Discuss the reporting of variances.
    - f. Describe the balanced scorecard approach to performance evaluation.
  2. Learning Activities:
    - a. Lecture/discussion
    - b. Reading assignment
    - c. Homework and other assignments by the instructor
    - d. Review key terms
  3. Unit Outline: Follow the sequence of unit learning outcomes.