

ACCT 102: MANAGERIAL ACCOUNTING

Citrus College Course Outline of Record

Heading	Value
Effective Term:	Spring 2024
Credits:	4
Total Contact Hours:	72
Lecture Hours :	72
Lab Hours:	0
Hours Arranged:	0
Outside of Class Hours:	144
Total Student Learning Hours:	216
Prerequisite:	ACCT 101 or ACCT 101H.
Transferable to CSU:	Yes
Transferable to UC:	Yes - Approved
Grading Method:	Standard Letter, Pass/No Pass

Catalog Course Description

This is the study of how managers use accounting information in decision-making, planning, directing operations and controlling. Focuses on cost terms and concepts, cost behavior, cost structure and cost-volume-profit analysis. Includes issues relating to cost systems, cost control, profit planning, and performance analysis in manufacturing and service environments. 72 lecture hours.

Course Objectives

- Identify and illustrate the primary activities and information needs of managers and explain the role of the managerial accountant as a member of the management team; compare and contrast financial and managerial accounting.
- Compare and contrast absorption costing and variable costing, prepare income statements using both methods, and reconcile the resulting net incomes.
- Define relevant costs and benefits and prepare analyses related to special decisions.
- Explain the nature of capital expenditure decisions and apply and evaluate various methods used in making these decisions, including the time value of money.
- Identify the ethical implications inherent in managerial accounting and reporting and be able to apply strategies for addressing them.
- Define and illustrate various cost terms, concepts, and behaviors, and evaluate their relevancy for different decision-making purposes.
- Distinguish between product and period costs and prepare and evaluate a Schedule of Cost of Goods Manufactured, Schedule of Cost of Goods Sold, and Income Statement; Prepare traditional and contribution-margin income statements and define related terms.
- Explain cost-volume-profit analysis, degree of operating leverage, and safety margin and employ each as an analytical tool.
- Describe the traditional types of product costing systems (including job-order and process), illustrate the flow of costs in each, and prepare related accounting records and reports.

- Discuss the impact of technology on the business environment, its implications for product and service costs, and the development of activity-based costing and management.
- Explain the purposes of budgeting, prepare a master budget and its component schedules, and relate the budget to planning and control.
- Explain the development and use of standard costs and flexible budgets, prepare and interpret variance analysis reports and relate them to responsibility accounting and control.
- Explain the nature of and need for segment reporting and the relationship with cost, revenue, profit, and investment centers; prepare and analyze related segment reports.

Major Course Content

- Managerial Accounting Concepts and Principles
- Job Order Costing
- Process Cost Systems
- Cost Behavior and Cost-Volume-Profit Analysis
- Absorption and Variable Costing for Management Analysis
- Budgeting and Profit Planning
- Performance Evaluation Using Variances from Standard Costs and Flexible Budgeting
- Performance Evaluation for Decentralized Operations and Responsibility Accounting
- Differential Analysis and Product Pricing
- Capital Investment Analysis
- Cost Allocation and Activity-based Costing
- Cost Management for Just-in-time Environments
- Ethical Issues

Suggested Reading Other Than Required Textbook

Students will be encouraged to read articles on current business events from publications such as the Los Angeles Times, Wall Street Journal, Forbes and Business Week.

Examples of Required Writing Assignments

Group Projects will require group meetings outside of class to gather data from Internet and other sources and discuss their findings. For example, a group may select a company such as Boeing to evaluate their capital investment performance using analytical techniques learned during this course and write a summary of the evaluation. Homework will be performed on Cengage Brain, a computerized homework manager.

Examples of Outside Assignments

Group Projects will require group meetings outside of class to gather data from Internet and other sources and discuss their findings. For example, a group may select a company such as Boeing to evaluate their capital investment performance using analytical techniques learned during this course.

Instruction Type(s)

Lecture, Online Education Lecture