WELCOME TO MANAGERIAL ACCOUNTING

Managerial accounting is concerned with providing information to managers and other people inside an organization who direct and control its operations. Whereas financial accounting provides essential information to outsiders for the purpose of judging a company’s performance, managerial accounting provides essential information to those people that run organizations. In contrast to financial accounting information, management accounting information is:

- designed and intended for use by managers within the organization, whereas financial accounting information is designed for use by shareholders and creditors.
- usually confidential and used by management, instead of publicly reported;
- forward-looking, instead of historical;
- computed by reference to the needs of managers, often using management information systems, instead of by reference to financial accounting standards.

KEYS TO SUCCESS IN THIS COURSE

Since this is your second accounting course, I’m sure you are aware that accounting is not a math course. It involves analyzing business transactions, knowing how to record those transactions, preparing financial statements, and interpreting financial results. Though Managerial Accounting involves less analyzing and more interpreting, it is still true that homework, class work and attendance are the keys to success. Students often falsely believe that they can wait until the night before the exam, cram everything in, and do just as well as if they were prepared daily. To do well, **you need to attend class each period.** I can help to synthesize the material and point out the key concepts that are needed. Students generally learn far more in less time inside of class than they do on their own outside of class.

Students should also complete the assigned homework before class. There are more problems in managerial accounting then there are in financial accounting. Students not familiar with the problems will have difficulty keeping up in class. Finally, **expect** that you can learn the material each class. Do not be intimidated by the numbers or the complexity of the topic. Your goal should be to understand all material each class.

This course focuses on the core competencies of managerial accounting that are vital to success in management positions as well as information needed for accounting majors to succeed in upper level accounting courses. This is not to say that the information not covered in the
textbook is not useful. You may find this is a good reference book for future career decisions you may face. Beginning with the first chapter, select learning objectives will be covered. Be sure to read the course schedule below to know what material will be covered and tested.

In every class, some students have a natural talent for understanding accounting and do well on the multiple-choice exams with relatively little effort. Other students are able to master the material only after working very hard. Finally, for some students, the analytical thinking process associated with accounting is a skill that they seem to have been born without and regardless of the time and effort put into the course it just doesn’t come. If this is you and you have honestly put forth your best effort, do not get discouraged. This is just one course in your college career and this probably just means that you will end up hiring an accountant rather than doing it yourself. Do the best you can, learn as much as you can, and do not become overly concerned about your ultimate grade.

CRITICAL THINKING & COMMUNICATION
In our class discussions on managerial accounting requirements, you will be continually encouraged to question each requirement, (1) focusing on why, not just how, (2) learning differential analysis and relevant costs techniques to use in pricing analysis, make-or-buy decisions, opportunity costs, product line and business segment analysis, and (3) questioning the standards in relation to conceptually appropriate treatment of the issue. One of the goals is to foster a critical thinking mindset to help equip you to cope with the rapidly evolving standard-setting environment. There is an independent project specifically designed to promote critical thinking by requiring you to analyze how modifications to individual components alter a CVP graph.

Written and oral communication skills are fostered with the assignment of Greater Understanding DeviceS (GUDS) that require you to communicate your analysis of accounting problems and issues in written assignments and oral explanations to the class.

COURSE MATERIALS
- Homework Manager – This is packaged free with the textbook if the textbook is purchased through the university or Tiger bookstore. **If you purchase the textbook online or used, you will need to go to the McGraw-Hill website for the book (https://paris.mcgraw-hill.com/paris/codevalidationview.do?productid=0073526975&goto_url=http%3A%2F%2Fhighered.mcgraw-hill.com%2Fsites%2F0073526975%2Fstudent_view0%2F) to purchase Homework Manager.** From this website, select “I am a Student”, “Buy Online”, then choose between Homework Manager ($40) or Homework Manager Plus an electronic version of the book ($80). Detailed instructions on how to access Homework Manager are also in a separate slide presentation on eCourseware under “Course Orientation.”

INSTRUCTIONAL ASSISTANCE
- Tutoring is offered free on the second floor of the Fogelman Business building in the ESP Business Learning Center, room 256. Hours are posted on the door.
- Additional questions are provided on the book website under “Student Edition”: http://highered.mcgraw-hill.com/sites/0073526975/information_center_view0/.
- Examples of all end-of-chapter material for which you will be held responsible will be worked in class. You will have plenty of opportunity to practice this material by completing assigned class work (called GUDS – Greater Understanding DeviceS) and homework on
Homework Manager.

- Should you get stuck on a homework problem, *feel free to email me so I can offer assistance. I am here to help you succeed!*

**GRADING**

On eCourseware, you will find your scores under the following specific headings:

<table>
<thead>
<tr>
<th>Points Possible</th>
<th>Possible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quizzes (online under Quizzes on eCourseware)</td>
<td>28</td>
</tr>
<tr>
<td>Homework Manager</td>
<td>60</td>
</tr>
<tr>
<td>Attendance (GUDS)</td>
<td>66</td>
</tr>
<tr>
<td>Class Project</td>
<td>17</td>
</tr>
<tr>
<td>Test 1</td>
<td>100</td>
</tr>
<tr>
<td>Test 2</td>
<td>100</td>
</tr>
<tr>
<td>Final Exam</td>
<td>100</td>
</tr>
<tr>
<td>Total Points</td>
<td>471</td>
</tr>
</tbody>
</table>

Your final grade will be determined based on the total points earned, as follows:

- A = 405 – 450
- B = 360 – 404
- C = 315 – 359
- D = 270 – 314
- F = 269 or below

**EXTRA CREDIT**

There will be no extra credit (other than described below). The only way to improve your grade in this course is to attend class regularly, be prepared for the exams, and turn in required work.

**Class Attendance/Conduct:**

Beginning **January 19**, attendance will be taken each period. Each period will begin with a lecture of the day’s topic, followed by working select end-of-chapter material. Most classes will include class work entitled **GUDS (Greater Understanding DeviceS)** that will be worked in class and handed in for **3 points**. These will always be open book and open notes. The GUDS will be checked to make sure you attempted to solve the problem. However, the material will not be graded. You will receive the 3 points as long as you make a serious attempt and are present to turn in the class work. The GUDS will be reviewed at the beginning of the next class. **If you are not present, you can not make up the GUDS.** To allow for those “unexpected” absences, 21 extra points are included in the GUDS grade. This allows you to miss 7 classes without being penalized. **These extra points can also be used to improve your overall grade if you hand in all GUDS.**

Students will **LOSE** five points of their attendance/conduct grade if they disrupt the class in any way, such as talking excessively or other similar distracting behavior. It is my responsibility to other students and to the University to create an environment conducive to learning. Your disruption of that environment will result in a loss of points and could lead to expulsion from the course. This is a large section of students and it takes only one person to disrupt the whole group. **Be sure to turn off your cell phone before class!** Also, **NO**
TEXTING in class! If you are texting, you are not paying attention to the lecture and you are distracting other students. Please be considerate to those around you.

Computers are discouraged in class. Since some students are purchasing the textbook in ebook form, computers are allowed. However, if you are found to be reading emails or “surfing”, you will not be allowed to continue bringing your laptop.

Exams:
Exams will consist of multiple-choice questions. The first exam covers chapters 1-4. The second exam covers chapters 5-8. The third and final exam covers chapters 1-13. The final exam will be weighted with 30% of the exam covering chapters 1-8 and 70% of the exam covering 9 and 11-13. The final exam will replace one exam grade that is lower than the final exam should that occur. Exams must be taken at the scheduled time. No late exams will be given except for official university-approved activities. If a student misses an exam for personal reasons (sickness, family emergency, etc.), then the final exam will be counted twice to replace the missed exam. The final exam is scheduled for Friday, April 30 from 3:30 – 5:30 pm. All sections of ACCT 2020 take the exam together. Be certain you can make the final exam!

Because of advances in technology, we are also requiring that you use ONLY a basic five-function calculator for exams. You should not have to spend more than $5.00, and some models start at $1.00. If it costs more than $5.00, it is probably unacceptable. Additionally, because of advances in cell phone technology, cell phones have become a powerful text storage and transmittal format. For this reason, cell phones must be turned off and put away during exams and exam review. If you have any questions and/or concerns about the calculator you are using, see the instructor before the exam so that we can resolve the issue.

Academic misconduct during an exam will result in a grade of zero for that exam and notification to University officials. Academic misconduct includes helping or getting help from others or using unauthorized materials in completing the exam. Academic misconduct is considered unethical behavior and students should not compromise their integrity for something as trivial as a grade in this course.

Quizzes:
Quizzes are attached to the course syllabus, chapters 1-9 & 11-13 in eCourseware. These quizzes include 5 questions each and, with the exception of the syllabus quiz, are worth 2 points each. The syllabus quiz is worth 4 points, for a total of 28 possible points for all quizzes. You may attempt the quizzes twice and the highest grade will count. The quiz questions are very similar to the questions that you will see on the exams, and the importance of practicing these questions cannot be emphasized enough. The quizzes have stated start and end dates and will not be available after the end date.

Homework Assignments:
Homework assigned in Homework Manager should be completed online. Homework will be graded and totals 60 possible points. You may work the homework as many times as you like up to the cut off date for each set of chapters. The cut off date will be the date of each test on the new chapters covered. (Ch 1 – 4, Feb. 16th; Ch 5 – 8, Mar. 30th; Ch 9, 11 – 13, Apr. 29th). The highest grade is recorded. Students should try to complete the homework before class. The material on the exams will come directly from the material in the
homework. Students can judge their development in the course by noting how well they understand the homework.

Instructions for Homework Manager are on eCourseware. The URL site you need to go to for this course is: http://mh3.brownstone.net/classes/ACCT2020_SEC501/.

<table>
<thead>
<tr>
<th>Date</th>
<th>Course Schedule</th>
</tr>
</thead>
</table>
| 1-14 | **Chapter 1;** Introduction: Comparison of financial & managerial accounting, role of management accountants, organizational structure  
E1-1 |
| 1-19 | Process management, technology in business, the importance of ethics in business  
E1-2, E1-3  
**In Homework Manager: Ch 1 Required Assigns., GUDS1** |
| 1-21 | **Chapter 2;** General Cost Classifications, product costs versus period costs, cost classifications on financial statements  
E2-1, E2-2, **In Homework Manager: Ch 2 Required Assigns., GUDS2** |
| 1-26 | General Cost Classifications, product costs versus period costs, cost classifications on financial statements, cont.  
E2-4, P2-14 #1, **GUDS3 – Bring form from eCourseware for GUDS3 for this class!** |
| 1-28 | Product cost flows, cost classifications for predicting cost behavior, cost classifications for assigning costs to cost objects, cost classifications for decision making  
P2-13, P2-22, **GUDS4 (LAST DAY TO DROP WITHOUT “W”)** |
| 2-2 | **Chapter 3;** Process and Job-order costing, underapplied or overapplied overhead  
E3-1, **In Homework Manager: Ch 3 Required Assigns., GUDS5** |
| 2-4 | Process and Job-order costing, underapplied or overapplied overhead, cont.  
P3-23, **GUDS6** |
| 2-9 | **Chapter 4;** Fixed and variable costs, contribution format income statement  
P 4-15, **In Homework Manager: Ch 4 Required Assigns., GUDS7 (Download from eCourseware)** |
| 2-11 | Review topics in Chapters 1-4 |
| 2-16 | **EXAM 1 (Chapters 1-4), Ch 1 – 4 Homework Manager Due!** |
| 2-18 | **Chapter 5;** The basics of Cost-Volume-Profit (CVP) analysis, break-even analysis,  
E5-1, E5-4, E5-13, **In Homework Manager: Ch 5 Required Assigns., GUDS8** |
| 2-23 | Break-even analysis, CVP considerations, **GUDS9** |
2-25 Class Project on eCourseware – Due March 14th!

3-2 Break-even analysis, CVP considerations, structuring sales commissions, Assumptions of CVP analysis, GUDS10 E5-2, E5-6, E5-10, E5-7

3-4 Chapter 6; Overview of absorption and variable costing, income comparison of absorption and variable costing, choosing a costing method. E6-4, E6-5, In Homework Manager: Ch 6 Required Assigns., GUDS11

3-8 – SPRING BREAK

3-12

3-16 Chapter 7; Activity-Based costing overview, designing an activity-based system, the mechanics of activity-based costing. E7-1, E7-2, In Homework Manager: Ch 7 Required Assigns., GUDS12

3-18 Chapter 8; Basic framework of budgeting, preparing the master budget. E8-1, In Homework Manager: Ch 8 Required Assigns., GUDS13

3-23 Preparing the master budget, cont. E8-6, E8-7, GUDS14

3-25 Review topics in Chapters 5-8.

3-30 EXAM 2 (Chapters 5-8) Ch 5 – 8 Homework Manager Due!

4-1 Chapter 9; Setting standard costs, using direct materials and direct labor variances, management by exception, balanced scorecard. E9-7, E9-9, In Homework Manager: Ch 9 Required Assigns., GUDS15

4-6 Chapter 11; Segment reporting, evaluating investment center performance, return on investment. E11-6, In Homework Manager: Ch 11 Required Assigns., GUDS16

4-8 Chapter 12; Cost concepts for decision making, make or buy decision E12-3, E12-7, In Homework Manager: Ch 12 Required Assigns., GUDS17

4-13 Opportunity cost, special orders, utilization of a constrained resource. E12-10, E12-17, GUDS18

4-15 Joint product costs, Chapter 13; Capital budgeting decisions, net present value. E13-10, In Homework Manager: Ch 13 Required Assigns., GUDS19

4-20 Uncertain cash flows, ranking investment projects. E13-19, GUDS20

4-22 Payback method, concept of present value. E11-4, GUDS21, GUDS22
4-27  Review topics from Chapters 1-9, 11-13.

4-29  **Ch 9, 11 – 13 Homework Manager Due!**

4-30  **3:30 pm – 5:30 pm FINAL EXAM**
      E=Exercises, P=Problems