



SAN IGNACIO
UNIVERSITY
MIAMI, USA

Date		Credits	3
Course Title	Managerial Accounting	Course Number	ACG 2071
Pre-requisite (s)	ACG 2011	Co-requisite (s)	None
Hours	45		

Place and Time of Class Meeting

San Ignacio University
3905 NW 107 Avenue, Suite 301
Miami, FL 33178

Name and Contact Information of Instructor

Book required

(San Ignacio University recognizes the use of the textbook in the classroom as part of the educational methodology and strategy applied in diverse materials. The textbook is part of the curriculum and is used to reach the student in an effective manner in the classroom. Every student is expected to acquire and use the textbook.)

Managerial Accounting: An Introduction to Concepts, Methods and Uses
Maher, Stickney and Weil
©2012 | Cengage Learning |
ISBN-10: 1-111-57126-0 | ISBN-13: 978-1-111-57126-9

Classroom expectations for students

Attendance Policy

Students are expected to attend all scheduled university classes for the courses that they are registered for and to achieve the goals set forth by each class instructor. Attendance is taken daily. Enrolled students are permitted no more than **2** “free” absences in one semester. Students missing **3-5** classes over the course of the semester will receive a one-letter grade deduction from their final course grade; missing more than **6** classes will result in failure of the course regardless of grade average. It is the student's responsibility to arrange to make up work missed because of an absence.

Student Tardiness Policy

A student is considered tardy/late if he/she comes to class 15 minutes late. With three tardies the student accumulates one full absence. If the student misses half of the class period, it is a full absence. When a student has more than 6 tardies, the instructor will contact the San Ignacio University Coordinator of Student Affairs and Academic Department and request an intervention session with the student. The goal of the intervention session is to develop and implement an intervention program to help students learn new ways to save and manage time.

NOTE: Plagiarism is defined as the use, without proper acknowledgment, of the ideas, phrases, sentences, or larger units of discourse from another writer or speaker. Plagiarism includes the unauthorized copying of software and the violation of copyright laws. Students who commit plagiarism will obtain a grade of “Failure” on their exam or assignment.

Course Description (must correspond exactly to Catalog description)

The purpose of this course is to provide students with the problem-solving skills and the knowledge to conduct economic activities as well as the knowledge to apply concepts to add value to the business they will manage. This class will give students the tools to understand and solve business issues. Among the topics studied are: Measuring product costs, strategic management of costs, quality and time, cost analysis for operating decisions and profit planning and budgeting.

Learning Objectives

At the end of this course the student will be able to:

- Understand how managers can use accounting information to implement strategies.
- Understand the nature of manufacturing costs.
- Identify strategic and operational uses of activity-based management.
- Distinguish between the traditional view of quality and the quality-based view.
- Describe how managers describe use cost behavior patterns.
- Describe the use of financial modeling for profit-planning purposes.
- Explain the differential principle and know how to identify costs for differential analysis.
- Explain the reasoning behind the separation of the investing and financing aspects of making long-term decisions.
- Explain the use of a budget as a tool for planning and performance evaluation.
- Explain the reasons for conducting variance analyses.
- Identify the benefits and disadvantages of decentralization.
- Describe key characteristics of divisional incentive compensation plans.

Topical Outline and Schedule

DATE		WEEK 1
SPECIFIC OBJECTIVES	Describe the course. <ul style="list-style-type: none"> • Differentiate between managerial accounting and financial accounting • Comprehend how managers use accounting data to implement strategies • Identify key financial plays within an organization • Examine the ethical responsibilities of an accounting manager • Analyze and understand the concept of cost 	
TOPIC (S)	<ul style="list-style-type: none"> • Discuss what tools and information are used to generate reports by managerial account managers and finance managers • Examine the key finance managers within an organization and discuss their responsibilities • Review the diverse certifications that may be acquired in the management accounting field • Identify ethical issues that may arise within an organization and what social and financial affects it may have on the general public • Discuss the Sarbanes-Oxley Act and its three main provisions • Examine the Code of Conduct developed by the Institute of Management Accountants • Discuss the basic cost concepts and describe how they may be utilized Syllabus Discuss Library Orientation Course, Instructor to verify completion	
LEARNING ACTIVITIES	Discussion of Syllabus Analysis of examples brought up in class Group discussion	
HOMEWORK & ASSIGNED READINGS	Review the Syllabus Complete the Library Orientation Course. Instructor to verify completion. Homework: Chapter 1 pp.2-13 (Only up to “Variable Versus Fixed Costs”) Two page paper on a real-life example of ethical issues that arose within a company or government and describe its social and financial effects	
DATE		WEEK 2
SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Examine the differences between income statements made for managerial use and those made for external reporting by financial managers 	

	<ul style="list-style-type: none"> • Discuss concepts that are useful for managing the costs of an organization such as: activity-based management, value-added and non-value added activities, strategic cost analysis and value chain. • Identify the business activities found in the value chain • Discuss how managerial accounting encourages modern production environments • Define the different management philosophies and how their developments have reshaped managerial accounting
TOPIC (S)	<ul style="list-style-type: none"> • Review the significance of effective communication between accountants and users of managerial accounting information • Discuss how the cost-benefit analysis determines the amount of accounting information produced for managerial purposes • Define the effects the new production environment has had on accounting • Identify the two major uses of managerial accounting information <p>Discuss Final Class Project & Presentation, List of Topics</p>
LEARNING ACTIVITIES	<p>Participate in a forum. Analysis of examples brought up in class Discussion of chapter topics</p>
HOMEWORK & ASSIGNED READINGS	<p>Homework: Chapter 1 pp. 18-22 Problems and Short Cases p.27-29 Answer problems 25 through 30</p>
DATE	WEEK 3
SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Comprehend the nature of manufacturing costs • Examine the stipulation for recording costs by department and assigning costs to products • Discuss how the “Work-in-Progress” account describes the conversion of inputs into outputs in a company and accounts for the costs sustained in the process • Compare and contrast normal costing from actual costing • Study the various production methods and the distinct accounting systems that each requires • Differential job costing and process costing systems
TOPIC (S)	<ul style="list-style-type: none"> • Research the differences between product costing in service organizations to that in manufacturing companies • Comprehend the concepts of customer costing and profitability analysis • Identify ethical issues found in job costing • Examine the components of “just-in-time” production methods and comprehend how accountants modify costing systems to them

	<ul style="list-style-type: none"> • Distinguish how to compute end-of-period inventory book value utilizing correspondent units of production • Define the flow of production costs through accounts in a manufacturing company <p>Discussion of student topic selection, library research, tentative bibliography</p>
LEARNING ACTIVITIES	<p>Analysis of examples brought up in class Discussion of chapter topics Group discussion</p>
HOMEWORK & ASSIGNED READINGS	<p>Investigate concepts and kinds of objectives. Library Research. Develop Tentative Bibliography</p> <p>Due: Project Topic Due: Tentative Bibliography</p> <p>Homework: Chapter 2 pp.32-48 Exercises 19-33 pg. 58-59 Odd only</p>
DATE	WEEK 4
SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Define strategic and operational uses of activity-based management • Compare and contrast traditional cost allocation methods and activity-based costing • Comprehend the concept of activity-based costing • Discuss the four steps involved in activity-based costing • Define how to find the calculate a predetermined indirect cost rate • Analyze how activity-based management and costing can be applied to marketing
TOPIC (S)	<ul style="list-style-type: none"> • Identify the hierarchy of cost and how to utilize it in order to organize cost information for proper decision making • Distinguish between resources used and resources supplied • Examine how to measure unused resource capacity • Analyze the complexity of implementing advanced cost-management systems • Review the impact of cultural differences in order to implement activity-based management <p>Due: Project Topic Due: Tentative Bibliography</p>
LEARNING ACTIVITIES	<p>Discussion Analysis of examples brought up in class Engage in group activity led by instructor</p>
HOMEWORK	Continue research and work on final project

& ASSIGNED READINGS	Homework: Chapter 3 pp. 75-91 Exercises Critical Analysis and Discussion Questions 8-24 p. 94-95
DATE	WEEK 5
SPECIFIC OBJECTIVES	<p>EXAM I</p> <ul style="list-style-type: none"> • Differentiate between the traditional view of quality and quality-based view • Examine the three critical success factors that relate to how a customer defines quality • Define the two costs of controlling quality: prevention costs and appraisal costs • Identify the two costs of failing to control quality: internal and external failure costs • Determine why firms make trade-offs in quality control costs and failure costs
TOPIC (S)	<ul style="list-style-type: none"> • Discuss what tools are used by firms to identify quality control problems • Define control charts, cause-and-effect analyses and Pareto charts and examine how each measures quality control • Examine why just-in-time requires high quality standards and high levels of production flow, with very little to no down time in order to correct the problem. • Discuss how competition in the market leads to shorter new-product development time and rapid response time to customers. • Identify the two aspects of time analysts focus on: operational measures of time and new-product development time • Describe how ABM can reduce customer response time by identifying the activities that consume the most resources • Explain the five modifications that traditional managerial accounting systems find necessary in order to support total quality management
LEARNING ACTIVITIES	<p>Group activity led by instructor Exercises from textbook Panel discussion on exercises completed in class</p>
HOMEWORK & ASSIGNED READINGS	<p>Continue research and work on final project</p> <p>Homework: Chapter 4 pp.112-125 Exercises 19-31 p. 128-129 Odd only</p>
DATE	WEEK 6
SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Differentiate between variable costs and fixed costs

	<ul style="list-style-type: none"> • Contrast short run and long run periods and how it permits management time to make changes in the level of production • Define the relevant range of activity and how cost behaviors are expected to be consistent • Examine the differences between capacity costs, committed costs and discretionary costs and how they relate to production level • Identify the nature of various cost behavior patterns • Examine the impact of learning curves on time and cost behavior
TOPIC (S)	<ul style="list-style-type: none"> • Explain how cost behavior patterns are used by managers in order to estimate how activities effect cost levels. • Define the importance of cost behavior patterns in order to project costs. • Determine the three steps necessary to use historical data to estimate costs • Review how analysts estimate cost behavior utilizing regression, account analysis and engineering methods • Explain how cost analysts must measure costs, benefits and cost estimation methods on a case-by case basis • Identify the derivation of learning curves • Define how to interpret the results of regression analysis and how some statistical problems may affect
LEARNING ACTIVITIES	Discussion of chapter topics Read article
HOMEWORK & ASSIGNED READINGS	Homework: Chapter 5 pp.138-158 Critical Analysis and Discussion Questions 7-18 p. 166
DATE	WEEK 7
SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Recognize the use of financial modeling for profit-planning purposes • Identify the way to perform cost-volume profit analysis and how it can be used to determine required selling price • Examine the use of spreadsheets in order to measure the effect of variable price, costs, volume amounts • Define the effects of cost structure and operating leverage on the sensitivity of profit to variation in volume
TOPIC (S)	<ul style="list-style-type: none"> • Describe how to utilize sales dollars as a means of measuring volume

	<ul style="list-style-type: none"> • Discuss the formula to find the target profit in units or target profits in sales dollars after-tax. • Define the three steps managers use in financial modeling in a multiple-product environment • Discuss the five cost categories found in multiple cost drivers • Recognize three common assumptions of a linear cost-volume-profit analysis • Examine the differences between cost-volume profit analysis with profit-volume analysis
LEARNING ACTIVITIES	<p>Discussion Analysis of examples brought up in class Chapter topics discussion</p>
HOMEWORK & ASSIGNED READINGS	<p>Continue research and work on final project</p> <p>Homework: Chapter 6. Pp. 181-199 Critical Analysis p. 203 (6-17)</p>
DATE	WEEK 8
SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Describe the differential principle and understand how to identify costs for differential analysis • Discuss the three major factors related to pricing: customers, competitors and costs • Examine the three circumstances companies use to pricing • Identify how target costs are based on target prices • Define how customer profitability is measured using differential analysis • Discuss the four categories of customer costs from company standpoint
TOPIC (S)	<ul style="list-style-type: none"> • Describe how companies apply differential analysis in order to make product choice decisions • Discuss the theory of constraints and what its focus and objective is • Identify the aspects that affect a company's make-or-buy decisions such as quality of material, dependability on supplier and comparison of costs. • Define the "splitoff point" and the relevant costs for decisions to sell or process further • Examine how the use of differential analysis is used to determined when to add or drop parts of operations



	<ul style="list-style-type: none"> Recognize the factors of inventory management decisions Discuss how linear programming increase the use of sparse resources
LEARNING ACTIVITIES	<p>Analysis of examples brought up in class Chapter topics discussion Guided peer review</p>
HOMEWORK & ASSIGNED READINGS	<p>Continue research and work on final project Homework: Chapter 7 pp.217-237 Review Questions 1-10 p.247 Critical Analysis and Discussion Questions 15-20 p. 247-248 Exercises 27, 33, 55 and 61</p>
DATE	WEEK 9
SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> Describe the motive behind the separation of the investing and financing aspects of making long-term decisions Examine how strategic planning provides the support for capital investments Discuss the steps of the net present value method for making long-term decisions using discounted cash flows Identify the impact income taxes has on cash flows Describe how spreadsheets assist the analyst to perform sensitivity analyses of capital budgeting
TOPIC (S)	<ul style="list-style-type: none"> Describe how justification or rejection of investments cannot be based merely on cash flow analysis Examine how audits can provide managers systematic feedback in order to improve capital budgeting and planning Define the behavioral issues related to capital budgeting
LEARNING ACTIVITIES	<p>Analysis of the examples raised in class. Group brainstorming Open-ended discussion</p>
HOMEWORK & ASSIGNED READINGS	<p>Continue research and work on final project Homework: Chapter 8 pp. 270-285 Exercises p.290 (16-34) Odd only</p>
DATE	WEEK 10

SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Determine why budget is used as a tool for planning and performance evaluation • Identify how a budget can influence employee motivation • Describe what a master budget contains and contrast it with a flexible budget • Study ethical predicaments found in budgeting and why they arise • Examine the modules of a comprehensive master budget and the different budgets found within it • Identify the three components found in an incentive model for accurate reporting
TOPIC (S)	<ul style="list-style-type: none"> • Describe how organizational goals may indicate management's philosophy • Identify how the strategic plan ties to the operational plan in a master budget • Examine the cultural impact on the process of budgeting • Study how budgets are established using cost hierarchies • Identify the Delphi technique and how it is used to improve forecasts • Define how budgeting is performed in nonprofit organizations • Assess the effectiveness of discretionary cost centers
LEARNING ACTIVITIES	<p>Open-ended discussion One-minute paper Group activity led by instructor</p>
HOMEWORK & ASSIGNED READINGS	<p>Continue research and work on final project Homework: Chapter 9 pp.300-326 Critical Analysis and Discussion Questions 5-17 p.328</p>
DATE WEEK 11	
SPECIFIC OBJECTIVES	<p>MIDTERM EXAM II</p> <ul style="list-style-type: none"> • Describe the motives for conducting variance analysis • Examine how the use the budget for performance evaluation in measuring between planned and actual results • Discuss the different types of variances between actual results and the flexible budget • Identify the different types of variances and how responsibility is assigned to each one • Recognize the role of variance analysis in service organization

TOPIC (S)	<ul style="list-style-type: none"> • Differentiate price and efficiency variance and what each measures • Examine the difference in variances for fixed costs and variable costs • Recognize the relation between actual, budgeted and applied fixed manufacturing costs • Discuss how companies use predetermined overhead rate • Review why an effective performance measurement system requires the involvement of the employee • Discuss the three reasons why worker involvement is essential • Examine how the mix variance shows the impact on profits of using something other than budgeted mix of inputs
LEARNING ACTIVITIES	Visual aids Group debate Discussion
HOMEWORK & ASSIGNED READINGS	Due: First Draft of Final Project Chapter 10 pp. 345-366 Review Exercises 1-15 p.371-372
DATE	WEEK 12
SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Recognize the benefits and nuisance of decentralization • Examine the problems with using ROI as a divisional performance measure • Discuss examples of differential analysis to make-or-buy decisions with different transfer prices • Identify the two general rules that exist for establishing a transfer price
TOPIC (S)	<ul style="list-style-type: none"> • Recognize the four types of costs to be considered when measuring divisional operating costs • Examine issues in measuring the investment base for calculating ROI • Discuss how the contribution approach permits management to evaluate performance without regards to costs • Analyze the principle of the ROI calculation and identify its inadequacy
LEARNING ACTIVITIES	Think-pair-share activity Group discussion
HOMEWORK & ASSIGNED READINGS	Chapter 11 pp. 388-405 Critical Analysis and Discussion Questions 8-20 p.407-408
DATE	WEEK 13

SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Identify key characteristics of divisional incentive compensation plans • Recognize the balanced scorecard as a way to bind performance measures to managerial objectives • Compare and contrast expectancy and agency methods to motivation • Discuss what constitutes deceptive financial reporting • Recognize controls that can help in preventing financial fraud
TOPIC (S)	<ul style="list-style-type: none"> • Discuss the four stages of a product's life cycles • Analyze the Expectancy theory and how it differs from agency theory view • Discuss the four perspectives found in a balanced scorecard • Identify the two key factors that influence how managers design incentive systems • Discuss the two most common types of fraud: improper revenue recognition and overstating inventory • Examine how separation of duties helps prevent financial fraud • Determine whether internal auditors deter or detect financial fraud
LEARNING ACTIVITIES	<p>Analysis of examples Open-ended discussion One-minute paper</p>
HOMEWORK & ASSIGNED READINGS	<p>Editing & Revision of Final Project Chapter 12 pp. 423-443 Cases p.448-449</p>
DATE	WEEK 14
SPECIFIC OBJECTIVES	<ul style="list-style-type: none"> • Describe the differences found between direct and indirect cost • Examine what service departments offer internally • Identify the purpose of common cost allocations • Discuss some examples of misleading cost allocations • Examine the use of cost allocation for managerial purposes and discuss reasons for allocating indirect costs to users or customers
TOPIC (S)	<ul style="list-style-type: none"> • Discuss how cost allocation supports interdepartment monitoring • Examine the three managerial methods or steps utilized to apply cost allocation • Identify the assignment of direct costs to departments • Recognize the allocation of indirect costs to departments • Discuss how the cost drivers must be identified first in order to gather

	<p>the necessary data to begin allocation process</p> <ul style="list-style-type: none"> • Compare and contrast the three methods to allocate service department costs to production departments: direct, reciprocal and step
LEARNING ACTIVITIES	<p>Visual aids Open-ended discussion Work on Three Methods to Allocate cost of production from a corporate department- Library Use</p>
HOMEWORK & ASSIGNED READINGS	<p>Editing & Revision of Final Project Chapter 13 pp. 453-461 Critical Analysis and Discussion Questions 7-17 p.469</p>
DATE	WEEK 15
SPECIFIC OBJECTIVES	<p>Final Project Final Presentation Final Exam</p> <ul style="list-style-type: none"> • Identify how management includes marketing and administrative cost when allocating company costs • Define joint-process costs and the complexity related to allocating their costs to joint products
TOPIC (S)	<ul style="list-style-type: none"> • Define the two major methods of allocating joint-process costs: net realizable value method and physical quantities method • Identify the decision made by management in the NRV method • Discuss the physical quantities method and when it's appropriate to use <p>Recognize the motives that organizations allocate joint costs</p>
LEARNING ACTIVITIES	<p>Analysis of examples brought up in class One-minute paper Review of chapters Group discussion</p>
HOMEWORK & ASSIGNED READINGS	<p>Chapter 13 pp. 451-466 Exercises 18-38 p. 469-478 Odd only</p>

Instructional Methods

In developing methodological strategies, it is best to discuss them between teachers and students in an environment of freedom and mutual agreement in order to ensure that the students make them their own and take responsibility for their execution and for attaining the goals of this course.

The following strategies may be used in this class:

1. A review of the exercises at the end of each chapter.
2. Check of the reading.
3. Analysis of assigned readings.
4. Group discussions.
5. Individual and group discussions.
6. Preparation of reports.
7. Preparation of a didactic plan.
8. Carrying out a micro-class.

Additional Instructional Materials and References

- Essentials of Managerial Accounting by Kurt Hesinger (10)
- Financial and Managerial Accounting by Belverd E. Needles (9th 11)
- Financial and managerial accounting by Charles T. Horngren (3rd 12)

Assessment Criteria and Methods of Evaluating Students

96 – 100%	→ A
90 – 95%	→ A-
87 – 89%	→ B+
83 – 86%	→ B
80 – 82%	→ B-
77 – 79%	→ C+
73 – 76%	→ C
70 – 72%	→ C-
67 – 69%	→ D+
63 – 66%	→ D
60 – 62 %	→ D-
< 59%	→ F

Do not count on a curve!

Generally, the grades “A” through “C-” are considered passing grades. Grades “W” and “I” indicate that no grades were earned for the course. A “W” grade indicates that the student withdrew from the course. An “I” grade indicates that the student was passing the course, but failed to complete all the required course work. The instructor, in his/her discretion may grant an “I” grade instead of an “F”, pending completion of the course work by the student within a specified time arranged by the instructor and told to the student. It is the student's responsibility to follow-up with the instructor to complete the course work. If the course work is not completed by the arranged time, the “I” grade becomes an “F”.

Distribution of Grade Elements



Homework: 15% (5% each)

Exams I, II, III: 30% (10% each)

Final Presentation: 30% (15% each)

Final Research Project: 25%

Total: 100 %

Date Syllabus Was Last Reviewed: Date 7-17-12