

AOF Managerial Accounting

Course Scope and Sequence

The Managerial Accounting course introduces management accounting fundamentals, including manufacturing and cost accounting, budgeting, accounting for managerial decision making, and financial statement analysis. Students learn how to use accounting information for internal decision-making, planning, and control. Because accounting knowledge is beneficial to business professionals in every discipline, this course provides them with the financial acumen necessary to make informed personal and business decisions.

For the course's culminating project, students apply what they have learned about using managerial accounting processes and techniques to decision-making in order to maximize profit. Students work in teams of three or four to determine the most profitable way for their company to expand into the snack-mix assortment market by performing a series of financial analyses designed to determine how best to meet or exceed a net income goal. The project incorporates costing and pricing, sales mix analysis, performance-report preparation and financial ratio comparisons, and profitability. Teams determine and recommend a strategy that will enable the corporation to meet its needs most effectively.

For students interested in pursuing accounting as a career or using its techniques in any business discipline, this course is an appropriate follow-up to Principles of Accounting.

This course is expected to take a total of 76 50-minute class periods.

Unit 1: Getting Started

Lesson 1: Course Introduction

Estimated # of Class Periods: 2

Learning Objectives

- Infer the skills and knowledge about managerial accounting needed to be successful in an authentic project
- Identify general managerial accounting terms with which to build a taxonomy

Lesson 2: What Is Managerial Accounting?

Estimated # of Class Periods: 3

Learning Objectives

- Explain the purpose of managerial accounting
- Describe how accounting information is used to make business decisions
- Recall basic knowledge of financial accounting
- Compare and contrast financial accounting and managerial accounting
- List the four major areas of managerial accounting and summarize each one

Unit 2: The Budgeting Process

Lesson 3: Budget Planning

Estimated # of Class Periods: 3

Learning Objectives

- Describe the purposes and explain the importance of budgeting
- Describe the budgeting process
- List the sources of budget information
- Describe the interrelationship between budgeting and forecasting

Lesson 4: Budgeted Income Statement

Estimated # of Class Periods: 5

Learning Objectives

- Describe the purpose of an operational plan
- Demonstrate the ability to prepare sales and purchase budget schedules
- Demonstrate the ability to prepare expenses budget schedules
- Demonstrate the ability to prepare budgeted income statements
- Demonstrate the ability to prepare a budget variance report

Lesson 5: Cash Budgets and Performance Reports

Estimated # of Class Periods: 5

Learning Objectives

- Describe the purpose and importance of a cash budget
- Demonstrate the ability to prepare a cash budget, with schedules of cash receipts and cash payments
- Demonstrate the ability to prepare a performance report
- Demonstrate the ability to analyze a performance report

Unit 3: Cost and Sales Analysis

Lesson 6: Costs

Estimated # of Class Periods: 5

Learning Objectives

- Compare and contrast total costs and unit costs
- Demonstrate the ability to compute total costs and unit costs
- Compare and contrast fixed costs and variable costs

- Demonstrate the ability to calculate gross profit, gross profit margin, contribution margin, and contribution margin per unit

Lesson 7: Break-Even Analysis

Estimated # of Class Periods: 4

Learning Objectives

- Explain the purpose of break-even analysis
- Describe the break-even point formula
- Demonstrate the ability to calculate the break-even point
- Demonstrate the ability to determine the sales required to earn a planned net income

Lesson 8: Analyzing Decisions

Estimated # of Class Periods: 9

Learning Objectives

- Demonstrate the ability to analyze the effect on net income of changes in cost, sales price, and volume
- Demonstrate the ability to perform a cost analysis for a new product

Unit 4: Manufacturing Cost Accounting

Lesson 9: The Manufacturing Environment

Estimated # of Class Periods: 3

Learning Objectives

- Compare and contrast cost accounting in the manufacturing and merchandising industries
- List the cost elements of any finished product
- Describe the elements of manufacturing cost

Lesson 10: Costing Systems

Estimated # of Class Periods: 7

Learning Objectives

- Compare and contrast job-order costing and process costing
- Explain the environment appropriate for a process costing system
- Explain the environment appropriate for a job-order costing system
- Demonstrate the ability to calculate manufacturing costs

Unit 5: Evaluation of Financial Performance

Lesson 11: Financial Statements

Estimated # of Class Periods: 5

Learning Objectives

- Compare and contrast the components of a manufacturing business income statement and balance sheet with those of a service business
- Demonstrate the ability to analyze an income statement using vertical analysis
- Demonstrate the ability to analyze a balance sheet using vertical analysis
- Discuss the key components of a cash flow statement
- Demonstrate the ability to prepare and analyze a retained earnings statement
- List the financial accounts that are specific to corporations

Lesson 12: Financial Ratios

Estimated # of Class Periods: 7

Learning Objectives

- List the types of financial ratios and describe the type of information each provides
- Explain how financial ratios are used
- Demonstrate the ability to calculate and evaluate profitability ratios in a given scenario
- Demonstrate the ability to calculate and evaluate debt ratios
- Demonstrate the ability to calculate and evaluate the accounts receivable turnover ratios
- Demonstrate the ability to calculate and evaluate merchandise inventory turnover ratios

Unit 6: Managerial Accounting Careers and Culminating Project

Lesson 13: Putting It All Together

Estimated # of Class Periods: 8

Learning Objectives

- Monitor personal success in learning about managerial accounting concepts
- Demonstrate the ability to work cooperatively with culminating project groups
- Display understanding of the elements of an effective PowerPoint presentation
- Demonstrate the ability to perform a sales mix analysis in a given scenario

Lesson 14: Learning from Industry Experts

Estimated # of Class Periods: 4

Learning Objectives

- List the types of jobs that are available in managerial accounting
- Evaluate which jobs are most suitable based on personal interests and skills
- Develop effective responses to typical job interview questions

Lesson 15: Project Presentation and Course Closure

Estimated # of Class Periods: 6

Learning Objectives

- Demonstrate the ability to give a professional presentation
- Evaluate personal experience and performance in the course
- Summarize key learning across the whole subject of managerial accounting