# ACCT 301 Managerial Accounting

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|  | **Instructor:**DİĞDEM KOLOĞLU  digdem.kologlu@sabanciuniv.edu    **Web:**SuCourse |  |

**Textbook and other material:**

* **Managerial Accounting, Global Edition, 4/E, with my Accountinglab**

Karen W. Braun, Wendy M Tietz

ISBN-13: 9781292059426 Pearson Prentice Hall

* Handouts, exercises and copies distributed during the course.

**Course Objectives:** The overall objective of this course is to provide a framework within which students can develop an understanding of the determinants and uses of accounting data to aid management in its planning, organizing, and controlling functions.The course is designed to familiarize students with managerial accounting and cost accounting applications and concepts.

**Learning outcomes:** After successfully completing the course, the student should:

1. Explain how cost information is used in decisions by managers.

2.  Describe the basic contents of management accounting.

3.  Analyze business transactions in terms of their effect on the costs and operational items.

4.  Understand and use basic management accounting terminology.

5. Analyze and interpret management accounting reports that provide both objective measures of past operations and subjective estimates about future decisions.

6. Analyze and interpret cost behavior.

7. Understand various cost systems: e.g. Job Order Costing, Process Costing.

8. Analyze the types of standards, how they are used in budgeting and how they are established for businesses.

9. Prepare a differential analysis report for decision making.

10. Apply and analyze product costing allocation methods.

The student should also improve his/her skills regarding solving and presenting more complex problems. This will be achieved by solving questions later presented and discussed in class.

**Office Hours:** Right after class or by appointment. As a student of the course, you are always welcome to come and discuss issues around the course, problems, improvements etc. but I suggest that you first send me an email. Then I will reserve time for you and will be well prepared.

**Methodology & Evaluation/Grading Policy:** This course will generally be taught in a standard lecture format. However, you are required to read and learn the subject material prior to class meetings.

The content is *very cumulative*. That is, if a student fails to learn any piece of the material in the earlier chapters, this will virtually insure failure to learn nearly all the subsequent material.

As a result, the students are expected to attend classes, be prepared for every class, and keep up-to-date with the material. Because we will be covering a large amount of technical material in a short period of time and we are meeting only twice a week, it is important that you study regularly in a systematic fashion and do not fall behind. I would suggest studying the material for each class in the following manner:

* Read the assigned text pages.
* Try some of the problems from the text.
* Attend the class where I will explain the material, go over selected problems, and answer your questions.
* Review what was covered in class, prepare your homework assignments and prepare your questions for the next meeting.

Assignments will be given throughout the semester. The participants are strongly encouraged to work on these assignments to improve their understanding of the material in the class. Some of the assignments --with an advanced notice-- will be collected for grading. To insure proper credit, you need to show all your work. Your grade will be based on not only how correctly you address and answer the questions, but also on the clarity and organization of the written report. You should turn in your assignment at the beginning of the lecture on due day.

Class participation is important and will be included in your performance assessment. It is necessary that the participants study the subject material prior to class meetings and contribute to class discussions. The overall course grade will be based on the following scheme:

Exam 1 (35%)

Exam 2 (35%)

Master Budget Project (Individual) (15 %)

Homework (15 %)

OUTLINE OF THE COURSE

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| **Topic** | **Main Issues** | **Corresponding chapters** |
| WEEK 1) June 1-2  The meaning of managerial accounting (MA)  Building Blocks of MA | Purpose of MA  MA versus financial accounting  Inventoriable Product Costs versus Period Costs  Relevant and irrelevant costs  Comparing Balance Sheets  Job-order costing  Completing the job cost record and using it to make business decisions | Ch1, Ch2,  HW1 |
| WEEK 2) Job Costing July 6,8,9  Activity based costing and management | Use of the refined cost information to improve operations  How Does the Flow of Costs Differ Between Job and Process Costing | Ch 3,Ch4, Ch5  HW2, HW3, HW4 |
| WEEK 3) July 13- 16  costs | Review  **EXAM 1 July 16** |  |
| WEEK 4) July 27,29,30  Process costing  Cost Behavior | the Roles of Variable Costing and the Contribution Margin  Analysis of variable costs, fixed costs and mixed costs  How do Managers Find the Breakeven Point | Ch6, Ch7  HW5, HW6 |
| WEEK 5) August 3,5,6  Cost Volume Profit and Variable  Relevant Costs for Short Term Decisions  Performance Evaluation | Decisions to Discontinue Products, Departments, or Stores  Product Mix Decisions when Resources are Constrained  Sensitivity Analysis and Flexible Budgeting  Evaluation of Investment Centers  Strategies and Mechanisms for Determining a Transfer Price  Advantages and Disadvantages of Using Standard Costs and Variances | Ch 8 Ch 10,  HW7, HW8 |
| WEEK 6) August 10,12,13 | **Review**  **EXAM 2 August 13** | Ch 9, Ch11, |
| WEEK 7) August 17 – 20  The Master Budget  Standard costs and Variances  Sustainability | Master budgeting: The Operating Budget, Budgeted Income Statement, The Capital Expenditures Budgeting  The Business Case for Sustainability Environmental Management Accounting  **Submission of Master Budget Project** |  |