

# ACCT M120: MANAGERIAL ACCOUNTING

**Originator**  
rbennington

## College

Moorpark College

## Discipline (CB01A)

ACCT - Accounting

## Course Number (CB01B)

M120

## Course Title (CB02)

Managerial Accounting

## Banner/Short Title

Managerial Accounting

## Credit Type

Credit

## Start Term

Fall 2023

## Formerly

ACCT M02C - Managerial Accounting  
BUS M02C - Managerial Accounting

## Catalog Course Description

Examines how managers use accounting information in decision-making, planning, directing operations, and controlling. Focuses on cost terms and concepts, cost behavior, cost structure, cost-volume-profit analysis, profit planning, standard costs, operational and capital budgeting, cost control, costing systems in a manufacturing environment, performance analysis, and ethics.

## Taxonomy of Programs (TOP) Code (CB03)

0502.00 - \*Accounting

## Course Credit Status (CB04)

D (Credit - Degree Applicable)

## Course Transfer Status (CB05) (select one only)

A (Transferable to both UC and CSU)

## Course Basic Skills Status (CB08)

N - The Course is Not a Basic Skills Course

## SAM Priority Code (CB09)

C - Clearly Occupational

## Course Cooperative Work Experience Education Status (CB10)

N - Is Not Part of a Cooperative Work Experience Education Program

## Course Classification Status (CB11)

Y - Credit Course

## Educational Assistance Class Instruction (Approved Special Class) (CB13)

N - The Course is Not an Approved Special Class

## Course Prior to Transfer Level (CB21)

Y - Not Applicable

**Course Noncredit Category (CB22)**

Y - Credit Course

**Funding Agency Category (CB23)**

Y - Not Applicable (Funding Not Used)

**Course Program Status (CB24)**

1 - Program Applicable

**General Education Status (CB25)**

Y - Not Applicable

**Support Course Status (CB26)**

N - Course is not a support course

**Field trips**

Will not be required

**Grading method**

(L) Letter Graded

**Alternate grading methods**

(O) Student Option- Letter/Pass

(P) Pass/No Pass Grading

**Does this course require an instructional materials fee?**

No

**Repeatable for Credit**

No

**Is this course part of a family?**

No

**Units and Hours**

**Carnegie Unit Override**

No

**In-Class**

**Lecture**

**Minimum Contact/In-Class Lecture Hours**

52.5

**Maximum Contact/In-Class Lecture Hours**

52.5

**Activity**

**Laboratory**

**Total in-Class**

**Total in-Class**

**Total Minimum Contact/In-Class Hours**

52.5

**Total Maximum Contact/In-Class Hours**

52.5

## Outside-of-Class

### Internship/Cooperative Work Experience

Paid

Unpaid

### Total Outside-of-Class

#### Total Outside-of-Class

#### Minimum Outside-of-Class Hours

105

#### Maximum Outside-of-Class Hours

105

### Total Student Learning

#### Total Student Learning

#### Total Minimum Student Learning Hours

157.5

#### Total Maximum Student Learning Hours

157.5

### Minimum Units (CB07)

3

### Maximum Units (CB06)

3

### Prerequisites

ACCT M110

## Entrance Skills

### Entrance Skills

ACCT M110

### Prerequisite Course Objectives

ACCT M110-explain the content, form and purpose of the basic financial statements (including footnotes) and the annual report and how they satisfy the information needs of investors, creditors, and others.

ACCT M110-explain the nature and purpose of Generally Accepted Accounting Principles (GAAP) and the development of International Financial Reporting Standards (IFRS).

ACCT M110-explain and apply the components of the conceptual framework for financial accounting and reporting, including the qualitative characteristics of accounting information, the assumptions underlying accounting, the basic principles of financial accounting, and the constraints and limitations on accounting information.

ACCT M110-explain what a system is and how an accounting system is designed to satisfy the needs of specific businesses; summarize the purpose of a journal and ledger.

ACCT M110-apply transaction analysis, input transactions into the accounting system, process this input, and prepare and interpret the four basic financial statements, and relate this process to the accounting cycle.

ACCT M110-distinguish between cash basis and accrual basis accounting and their impact on the financial statements, including the revenue recognition and matching principles.

ACCT M110-relate operating activities to current asset and liability issues including measurement and reporting of cash and cash equivalents, receivables and bad debts, and inventory and cost of goods sold.

ACCT M110-explain the valuation and reporting of current liabilities, estimated liabilities, and contingencies.

ACCT M110-relate investing activities to long-term asset acquisition and disposal; distinguish between capital and revenue expenditures; identify issues and solve problems relating to asset use and cost allocation.

ACCT M110-relate financing activities to long-term liabilities and stockholders' equity issues including issuance, valuation, and retirement of debt (including time value of money), and issuance and repurchase of capital stock, and dividends.

ACCT M110-interpret company activity, profitability, and liquidity through selection and application of appropriate financial analysis tools.

ACCT M110-explain the nature and importance of operating, investing, and financing activities reported in the Statement of Cash Flows.

ACCT M110-explain the meaning of internal control, the nature of internal control procedures, and how they relate to management of resources and risk.  
 ACCT M110-identify ethical issues related to financial accounting and reporting and discuss strategies for addressing them.  
 ACCT M110-define and use accounting and business terminology.

## Requisite Justification

### Requisite Type

Prerequisite

### Requisite

ACCT M110

### Requisite Description

Course in a sequence

### Level of Scrutiny/Justification

Required by 4 year institution

## Student Learning Outcomes (CSLOs)

**Upon satisfactory completion of the course, students will be able to:**

- |   |   |
|---|---|
| 1 | construct a Cost of Goods Manufactured Statement and a Cost of Goods Sold Statement.  |
| 2 | perform cost-volume-profit analysis to determine break-even point in sales, or sales volume, necessary to achieve a desired net operating income. |
| 3 | prepare a master manufacturing budget, including the operating budgets, cash budget, budgeted income statement, and budgeted balance sheet.       |

## Course Objectives

**Upon satisfactory completion of the course, students will be able to:**

- |    |  |
|----|--|
| 1  | identify and illustrate the primary activities and informational 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.   |
| 2  | define and illustrate various cost terms and concepts and evaluate their relevancy for different decision-making purposes.   |
| 3  | distinguish between product and period costs; prepare and evaluate a Schedule of Cost of Goods Manufactured, Schedule of Cost of Goods Sold, and Income Statement.   |
| 4  | prepare traditional and contribution-margin income statements; define related terms; explain cost-volume-profit analysis, degree of operating leverage and safety margin, and employ each as an analytical tool.   |
| 5  | 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.   |
| 6  | discuss the impact of technology on the manufacturing environment and its implications for product costs and the development of activity-based costing and management; prepare activity-based cost reports.  |
| 7  | explain the purposes of budgeting; prepare a master budget and its component schedules and relate the budget to planning and control.  |
| 8  | explain the development and use of standard costs, prepare and interpret variance analysis reports and relate them to responsibility accounting and control.   |
| 9  | 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.   |
| 10 | compare and contrast absorption costing and variable costing, prepare income statements using both methods, and reconcile the resulting net incomes.   |
| 11 | define relevant costs and benefits, giving proper treatment to sunk costs, opportunity costs, and unit costs; prepare analyses of special decisions – accept or reject a special order; outsource a product or service; add or drop a product or service; and sell or further process a product. |
| 12 | explain the nature of capital expenditure decisions and apply and evaluate various methods used in making these decisions.   |

- |    |  |
|----|--|
| 13 | identify ethical issues relating to managerial accounting and reporting, and discuss strategies for addressing them. |
| 14 | define and use accounting and business terminology.  |

## Course Content

### Lecture/Course Content

#### (5%) Introduction to management accounting:

1. Managerial accounting and the changing business environment
2. Ethical issues in managerial accounting and reporting
3. Management activities and the need for accounting information
4. Financial versus managerial accounting

#### (10%) Capital expenditure decisions

1. Time value of money
2. Net present value (NPV)
3. Internal rate of return (IRR)
4. Other approaches

#### (15%) Cost behavior and cost-volume-profit analysis:

1. Cost behavior patterns
2. Contribution margin and income statement format
3. Break-even analysis
4. Applications of C-V-P (Cost-Volume-Profit) analysis
5. Cost structure and operating leverage
6. Absorption versus variable costing

#### (10%) Segment reporting, and performance analysis

1. Revenue, cost, profit and investment centers
2. ROI (Return on Investment) and managerial performance
3. Residual income

#### (15%) Standard costing and variance analysis:

1. Setting standard costs
2. Variance analysis for materials, labor, and overhead
3. Significance and controllability of variances
4. Use of variance analysis in responsibility accounting and cost control

#### (10%) Budgeting for profit planning and control

1. Framework of budgeting
2. Use in planning and control
3. The master budget and its components

#### (25%) Product costing systems:

1. Flow of costs in manufacturing entities
2. Job-order costing
3. Process costing
4. Activity-based costing

#### (10%) Basic cost terms and concepts:

1. General cost classifications and their purposes
2. Cost classifications on financial statements
3. Product versus period costs
4. Cost concepts and decision-making
  - Identifying relevant costs
  - Adding and dropping product lines and other segments
  - Make or buy decisions
  - Special orders
  - Product pricing
  - Constrained resources
  - Economic characteristics of costs

### Laboratory or Activity Content

N/A

## Methods of Evaluation

Which of these methods will students use to demonstrate proficiency in the subject matter of this course? (Check all that apply):

- Written expression
- Problem solving exercises

**Methods of Evaluation may include, but are not limited to, the following typical classroom assessment techniques/required assignments (check as many as are deemed appropriate):**

Essay exams  
 Group projects  
 Individual projects  
 Journals  
 Objective exams  
 Problem-solving exams  
 Quizzes  
 Reports/papers  
 Classroom Discussion  
 Projects  
 Participation  
 Reports/Papers/Journals

## **Instructional Methodology**

**Specify the methods of instruction that may be employed in this course**

Class activities  
 Computer-aided presentations  
 Distance Education  
 Guest speakers  
 Lecture

**Describe specific examples of the methods the instructor will use:**

Instructor will use PowerPoint presentation, class discussions, small group activity, and classroom demonstration to explain course content. In addition, the instructor will model problem solving, and how to interpret and analyze the verbal and graphical information provided in each problem. Furthermore, the instructor will help students develop a sense for evaluating the reasonableness of their computed answers to the problems.

## **Representative Course Assignments**

### **Writing Assignments**

1. Write an essay discussing the use of the budget in performance analysis.
2. Write an essay explaining the role of the managerial accountant as a member of the management team.
3. Write a summary and analysis of newspaper and journal articles on topics such as use of activity-based costing.

### **Critical Thinking Assignments**

1. Select appropriate method(s) for use in capital budgeting decisions.
2. Prepare a master budget with analysis of issues that might require corrective actions.
3. Calculate and discuss the possible causes of material and labor variances.

### **Reading Assignments**

1. Reading textbook case studies to broaden the understanding of application of cost accounting fundamentals.
2. Reading a Business-related journal article, and/or periodicals to learn about Accounting Practices in the Business Environment. An example would be: reading a journal such as the Journal of Accountancy, Accounting Today, Harvard Business Review, or Forbes to develop a greater understanding of current Accounting trends.

### **Problem-Solving and Other Assignments (if applicable)**

1. Demonstrate understanding of cost flows in manufacturing by preparing a Cost of Goods Manufactured and Cost of Goods Sold statement.
2. Demonstrate multiple methods of assigning overhead costs in a manufacturing environment.

## **Outside Assignments**

### **Representative Outside Assignments**

- Research topics on the Internet or podcasts to learn about current trends in cost accounting. An example would be: listening to a podcast profiling a corporation that has been inducted into the Balanced Scorecard Hall of Fame
- Review Management industry journals and periodicals to learn about best practices in capital budgeting decisions.

**Articulation****C-ID Descriptor Number**

ACCT 120

**Status**

Approved

**Equivalent Courses at 4 year institutions**

University	Course ID	Course Title	Units
CSU Channel Islands	ACCT 220	Managerial Accounting	3
UCLA	MGMT 1B	Principles of Accounting: Introduction to Managerial Accounting Principles	4
CSU Northridge	ACCT 230	Introduction to Managerial Accounting	3
CSU Los Angeles	ACCT 2110	Principles of Managerial Accounting	3

**Comparable Courses within the VCCCD**

ACCT R102 - Managerial Accounting

BUS V01B - Managerial Accounting

**District General Education****A. Natural Sciences****B. Social and Behavioral Sciences****C. Humanities****D. Language and Rationality****E. Health and Physical Education/Kinesiology****F. Ethnic Studies/Gender Studies****Course is CSU transferable**

Yes

**CSU Baccalaureate List effective term:**

Fall 1995

## CSU GE-Breadth

**Area A: English Language Communication and Critical Thinking**

**Area B: Scientific Inquiry and Quantitative Reasoning**

**Area C: Arts and Humanities**

**Area D: Social Sciences**

**Area E: Lifelong Learning and Self-Development**

**Area F: Ethnic Studies**

**CSU Graduation Requirement in U.S. History, Constitution and American Ideals:**

## UC TCA

UC TCA  
Approved

## IGETC

**Area 1: English Communication**

**Area 2A: Mathematical Concepts & Quantitative Reasoning**

**Area 3: Arts and Humanities**

**Area 4: Social and Behavioral Sciences**

**Area 5: Physical and Biological Sciences**

**Area 6: Languages Other than English (LOTE)**

## Textbooks and Lab Manuals

### Resource Type

Textbook

### Description

Warren, Carl S., and William Tayer. *Managerial Accounting*. 16<sup>th</sup> ed., Cengage, 2023.

---

### Resource Type

Textbook

### Classic Textbook

No

### Description

Franklin, Mitchell, et al. *Principles of Accounting, Volume 2. Managerial Accounting*. E-book, Open Stax, 2022. <https://openstax.org/details/books/principles-managerial-accounting?Book%20details> (<https://openstax.org/details/books/principles-managerial-accounting/?Book%20details>). Accessed 2 March 2023.

---

### Resource Type

Textbook

### Description

Wild, John J., et al. *Managerial Accounting*. 9<sup>th</sup> ed., McGraw-Hill, 2022.

## Library Resources

### Assignments requiring library resources

Possible research using the Library's print and online resources, particularly EBSCO Business Source Elite database.

### Sufficient Library Resources exist

Yes

### Example of Assignments Requiring Library Resources

Using Library resources, write a summary and analysis of newspaper and journal articles on topics such as Activity-Based Costing and Activity-Based Management.

## Distance Education Addendum

### Definitions

#### Distance Education Modalities

Hybrid (1%–50% online)  
Hybrid (51%–99% online)  
100% online

### Faculty Certifications

Faculty assigned to teach Hybrid or Fully Online sections of this course will receive training in how to satisfy the Federal and state regulations governing regular effective/substantive contact for distance education. The training will include common elements in the district-supported learning management system (LMS), online teaching methods, regular effective/substantive contact, and best practices.

Yes

Faculty assigned to teach Hybrid or Fully Online sections of this course will meet with the EAC Alternate Media Specialist to ensure that the course content meets the required Federal and state accessibility standards for access by students with disabilities. Common areas for discussion include accessibility of PDF files, images, captioning of videos, Power Point presentations, math and scientific notation, and ensuring the use of style mark-up in Word documents.

Yes

### Regular Effective/Substantive Contact

#### Hybrid (1%–50% online) Modality:

Method of Instruction	Document typical activities or assignments for each method of instruction
Asynchronous Dialog (e.g., discussion board)	Instructor will post financial statements of a corporation and invite the students to calculate various ratios and explain their significance. Instructor may also require students to be present on-line for certain number of hours per week and have a dialogue with one another; for example, a student may post a question about solving a problem and other students will try to answer his/her question.
E-mail	Instructor will email students with announcements about the course or an upcoming event. Students in turn may email the instructor with their questions or concerns. Depending on the situation, the students may also email their assignments or projects directly to the instructor, instead of posting it on the class web page.
Face to Face (by student request; cannot be required)	Students will have the option to meet the instructor in his/her office on on campus in a classroom to work on problem solving exercises in the presence of the instructor to get one-on-one help from the instructor. Also, the students may want to meet the instructor to have a face-to-face discussion about an issue of concern.
Other DE (e.g., recorded lectures)	Instructor may record the lectures and post them for students to view within a specified time frame to be ready for the accompanying problem solving assignments. Students will upload their assignments to the course webpage to be graded by the instructor.

Synchronous Dialog (e.g., online chat)	Instructor may be available on a certain day or days of the week within a certain time frame to help students and answer their questions via an online chat. This would be the equivalent of on-line office hours. Instructor may also require students to be present on-line during certain hours of the week and have a dialogue with one another; for example, a student may post a question about solving a problem and other students will try to answer his/her question. This would be a live discussion session.
Telephone	Instructor may provide a phone number to the students where they can leave a voicemail and expect a call back within 24 hours.
Video Conferencing	Instructor may be available on a certain day or days of the week within a certain time frame to help students and answer their questions via live video conferencing. This would be the equivalent of on-line office hours. Also, the instructor may choose to present a lecture to the students via video conferencing.
<b>Hybrid (51%–99% online) Modality:</b>	
<b>Method of Instruction</b>	<b>Document typical activities or assignments for each method of instruction</b>
Asynchronous Dialog (e.g., discussion board)	Instructor will post financial statements of a corporation and invite the students to calculate various ratios and explain their significance. Instructor may also require students to be present on-line for certain number of hours per week and have a dialogue with one another; for example, a student may post a question about solving a problem and other students will try to answer his/her question.
E-mail	Instructor will email students with announcements about the course or an upcoming event. Students in turn may email the instructor with their questions or concerns. Depending on the situation, the students may also email their assignments or projects directly to the instructor, instead of posting it on the class web page.
Face to Face (by student request; cannot be required)	Students will have the option to meet the instructor in his/her office on on campus in a classroom to work on problem solving exercises in the presence of the instructor to get one-on-one help from the instructor. Also, the students may want to meet the instructor to have a face-to-face discussion about an issue of concern.
Other DE (e.g., recorded lectures)	Instructor may record the lectures and post them for students to view within a specified time frame to be ready for the accompanying problem solving assignments. Students will upload their assignments to the course webpage to be graded by the instructor.
Synchronous Dialog (e.g., online chat)	Instructor may be available on a certain day or days of the week within a certain time frame to help students and answer their questions via an online chat. This would be the equivalent of on-line office hours. Instructor may also require students to be present on-line during certain hours of the week and have a dialogue with one another; for example, a student may post a question about solving a problem and other students will try to answer his/her question. This would be a live discussion session.
Telephone	Instructor may provide a phone number to the students where they can leave a voicemail and expect a call back within 24 hours.
Video Conferencing	Instructor may be available on a certain day or days of the week within a certain time frame to help students and answer their questions via live video conferencing. This would be the equivalent of on-line office hours. Also, the instructor may choose to present a lecture to the students via video conferencing.

**100% online Modality:**

<b>Method of Instruction</b>	<b>Document typical activities or assignments for each method of instruction</b>
Asynchronous Dialog (e.g., discussion board)	Instructor will post financial statements of a corporation and invite the students to calculate various ratios and explain their significance. Instructor may also require students to be present on-line for certain number of hours per week and have a dialogue with one another; for example, a student may post a question about solving a problem and other students will try to answer his/her question.
E-mail	Instructor will email students with announcements about the course or an upcoming event. Students in turn may email the instructor with their questions or concerns. Depending on the situation, the students may also email their assignments or projects directly to the instructor, instead of posting it on the class web page.
Face to Face (by student request; cannot be required)	Students will have the option to meet the instructor in his/her office on on campus in a classroom to work on problem solving exercises in the presence of the instructor to get one-on-one help from the instructor. Also, the students may want to meet the instructor to have a face-to-face discussion about an issue of concern.
Other DE (e.g., recorded lectures)	Instructor may record the lectures and post them for students to view within a specified time frame to be ready for the accompanying problem solving assignments. Students will upload their assignments to the course webpage to be graded by the instructor.
Synchronous Dialog (e.g., online chat)	Instructor may be available on a certain day or days of the week within a certain time frame to help students and answer their questions via an online chat. This would be the equivalent of on-line office hours. Instructor may also require students to be present on-line during certain hours of the week and have a dialogue with one another; for example, a student may post a question about solving a problem and other students will try to answer his/her question. This would be a live discussion session.
Telephone	Instructor may provide a phone number to the students where they can leave a voicemail and expect a call back within 24 hours.
Video Conferencing	Instructor may be available on a certain day or days of the week within a certain time frame to help students and answer their questions via live video conferencing. This would be the equivalent of on-line office hours. Also, the instructor may choose to present a lecture to the students via video conferencing.

**Examinations****Hybrid (1%–50% online) Modality**

On campus  
Online

**Hybrid (51%–99% online) Modality**

On campus  
Online

**Primary Minimum Qualification**

ACCOUNTING

**Review and Approval Dates****Department Chair**

02/27/2023

**Dean**

02/28/2023

**Technical Review**

03/05/2023

**Curriculum Committee**

03/07/2023

**DTRW-I**

MM/DD/YYYY

**Curriculum Committee**

MM/DD/YYYY

**Board**

MM/DD/YYYY

**CCCCO**

MM/DD/YYYY

**Control Number**

CCC000531724

**DOE/accreditation approval date**

MM/DD/YYYY