

**ACCT 615**  
**FINANCIAL AND MANAGERIAL ACCOUNTING FOR MANAGERS**  
**FALL 2016**

**Faculty Contact information**

**Instructor**

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**Course description**

This course covers elements of both financial and managerial accounting. The financial accounting component focuses on understanding the financial statements and financial statement analysis. The managerial accounting component provides a comprehensive treatment of innovations in financial leadership. Managerial topics include developing strategic and operational plans, obtaining cost efficiencies, developing control systems that mitigate risk, and using accounting information for effective performance evaluation. In particular:

*Planning -- What are company goals to maximize profits and market share?*

Developing strategic and operational plans using:

The Balanced Scorecard, budgeting, pricing, cost volume profit (CVP) analysis, operating leverage, and incremental analysis.

*Determining costs -- What is it costing us to implement company goals?*

Obtaining cost efficiencies using job costing, activity based costing (ABC) and cost allocation.

*Controlling operations Are company goals being met?*

Developing effective control systems that mitigate risk using standard costs, variance analysis, and The Balanced Score Card.

*Performance evaluation Are employees helping to achieve corporate goals?*

Using accounting information for effective performance.

**Grading**

There will be a midterm and a final exam. The exams are not cumulative. Both exams are in class, closed book. The midterm will be 40%, final 45% and the homework and an Excel project (to be discussed in class) comprises 15%. You will be tested on your understanding of the subject matter and ability to practically apply knowledge to solve problems. ALL homework must be submitted to get the homework points. You will be assigned a zero if you miss homework assignments. If you missed an exam you will get a zero score. If you have a valid

reason, there will be a drop down in grade depending on lateness (applies to both midterm and final.)

### **Text books**

*(Financial accounting)*

Interpreting and analyzing financial statements: A project based approach. Karen P. Schoenebeck and Mark P Holtzman Pearson sixth edition  
ISBN 13:978-0-13-274624-3

*(Managerial accounting)*

Managerial accounting; making: Making decisions and motivating performance. Datar and Rajan Pearson Publishers  
ISBN: 13:978-0-13-702487-2

### **Course outcomes**

- a. Ability to record transactions and prepare balance sheets
- b. Skills to understand the use of financial ratios and other techniques to evaluate the financial position of companies
- c. Apply the accounting concepts in this class to aid companies make business decisions.
- d. Further enhance practical skills by understanding the use and application of accounting software packages.to record transactions in appropriate format.
- e. Use of analytical tools such as Excel for problem solving.
- f. Communicate effectively accounting results using power point
- g. Develop presentation skills both oral and written to explain the results of accounting related business cases
- h. Overall, to develop and apply the critical thinking, problem solving, and decision making skills needed for solving complex accounting problems and presenting results.

<b>Grade</b>	<b>Percentile</b>	<b>Percentage</b>
<b>A</b>	<b>4.0</b>	<b>90.0 – 100.0</b>
<b>B+</b>	<b>3.5</b>	<b>86.0 – 89.9</b>
<b>B</b>	<b>3.0</b>	<b>80.00 – 85.9</b>
<b>C+</b>	<b>2.5</b>	<b>75.0 – 79.9</b>
<b>C</b>	<b>2.0</b>	<b>68.0 – 74.9</b>
<b>F</b>	<b>N/A</b>	

## Taped lectures

All in class lectures have been taped and can be accessed at [ocw.njit.edu](http://ocw.njit.edu) (Click on SOM then ACCT 615)

## Office hours

Tuesdays 3pm to 6pm

## Course structure

Week	Topic	Class discussion	Homework
Sept 6	Basic accounting concepts	Refer class handouts	
Sept 13	P reparation of financial statements	Refer class handouts	Class case study
Sept 20	Financial statement analysis using horizontal vertical analysis Profitability, liquidity, solvency ratios	Refer class handouts	Class case study
Sept 27	Stock market ratios	Class handouts	Class case study
Oct 4	Preparation of cash flow statements using Indirect method	Class handouts	Class case study
Oct 11	CH 1:Introduction to managerial accounting.	Class handouts	1-14; 1-16; 1-17; 1-18; 1-25
Oct 18	CH 2: Key cost concepts	Class handouts	2-11 to 2-15
Oct 25	<b>MIDTERM EXAM</b>		
Nov 1	Ch 3: Cost volume profit analysis	Class handouts	3-12 TO 3-17; 3-3-35
Nov 8	Ch 3: Cost volume profit analysis conclude	Class handouts	
Nov 15	Ch 4: Job costing	Class handouts	4-11; 4-12; 4-13; 4-17
Nov 22	<b>THANKSGIVING HOLIDAY</b>		
Nov 29	Ch 6; Activity based costing	Class handouts	6-14; 6-18; 6-22
Dec 6	Ch 11: Capital budgeting		
Dec 13	Capital budgeting conclude Exam review	Class handouts	11-15; 11-16; 1-24

Dec 20	<b>FINAL EXAM</b>		

### **Time commitment**

Every student is expected to do the reading assignments, participate in class discussions, participate in group assignments and to take the course exams.

### **Late work and make up exams**

All assignments are expected when due as stated in your syllabus.

### **Student conduct**

The NJIT code on academic integrity, found at <http://www.njit.edu/academics/integrity.php> will be followed in this course.

### **Student with disability codes**

NJIT adheres to section 504 of the Rehabilitation Act of 1990. If you have any questions on how it pertains to you with respect to this course, please contact Dr Phylis Bolling, Center for Counselling, Campbell Hall, room 205 Please visit the Student Disability Services website.

### **Technical Support**

For assistance with the items shown below, please contact the NJIT help desk at 973-595-2900 or <http://ist.njit.edu/support/helpdesk.php>:

- UCID (university password)
- Library database access
- Webmail by GOOGLE email system
- Password assistance

For assistance with the items shown below, please contact NJIT moodle technical support:

- Assignments
- Discussion forums
- Quizzes
- Exams
- All other items related to the running of this course.

### **Software and hardware requirements**

You will be required to use software such as MS Word, Excel and Power point. You will also need to be comfortable with various aspects of using search engines on the internet.

