

**FRANKLIN UNIVERSITY PROFICIENCY EXAM (FUPE)
STUDY GUIDE**

Course Title: ACCT 225: Managerial Accounting

Recommended Textbook(s):

<https://www.franklin.edu/current-students/academic-resources/textbooks>

Number & Type of Questions: Multiple Choice

Permitted Materials: Scratch paper and a basic (non-programable) calculator

Time Limit: 120 minutes (2 hours)

Minimum Passing Score: 70%

Format varies

Outline of the Topics Covered:

Course Description

The study of management accounting for internal reporting and decision-making. The course introduces a business-management approach to the development and use of accounting information. Major topics include cost behavior, cost analysis, profit planning and control measures. Accounting for decentralized operations, capital budgeting decisions, and ethical challenges in managerial accounting are also covered.

Course Outcomes

Upon successful completion of this course, students will be able to:

1. Explain key terminology and concepts used in the practice of managerial accounting
2. Explain the flow of costs through the three main costing systems
3. Analyze the behavior interrelationship between fixed and variable costs
4. Analyze changes in cost-volume-profit relationships in a line of business
5. Design a profit plan using budgetary tools
6. Interpret variance control measures produced by actual versus budgeted results
7. Analyze relevant costs and benefits within the decision-making process
8. Analyze present and future cash inflows and outflows related to capital budgeting decisions

Knowledge and skills required include:

1. Identifying key terminology related to managerial accounting.
2. Calculating amounts on a schedule of cost of goods manufactured.
3. Determining which costing system (i.e., job order, process, or activity-based) is best to use in a given setting.
4. Calculating, interpreting, and recording key amounts related to job order, process, and activity-based costing systems.
5. Calculating total mixed cost using the high-low method.
6. Calculating and interpreting key amounts related to cost-volume-profit relationships.
7. Calculating amounts on the master budget of a manufacturing company.
8. Calculating and interpreting direct materials, direct labor, and manufacturing overhead variances.
9. Calculating and interpreting amounts related to the performance measurement of decentralized organizations.
10. Calculating and interpreting amounts using differential analysis to compare decision alternatives.
11. Calculating and interpreting amounts in capital budgeting decisions.

