

Let **Garrison** be Your Guide

**It is the 'Bible' of
Managerial Accounting.**

*Mark Motluck,
Anderson University*

**An excellent choice
for a first course in
managerial accounting.**

*Steven Huddart,
Penn State*

**Garrison is
the gold standard
of all accounting texts.**

*Gene Johnson,
Clark College*

For centuries, the lighthouse has provided guidance and safe passage for sailors. Similarly, Garrison/Noreen/Brewer has successfully guided millions of students through managerial accounting, helping them sail smoothly through the course.

Decades ago, lighthouses were still being operated manually. In these days of digital transformation, lighthouses are run using automatic lamp changers and other modern devices. In much the same way, Garrison/Noreen/Brewer has evolved over the years. Today, the Garrison book not only guides students—accounting majors and other business majors alike—safely through the course but is enhanced by a number of powerful new tools to augment student learning and increase student motivation. McGraw-Hill's *Connect™ Accounting* offers a number of features to facilitate student learning. Embedded within *Connect Accounting*, our **NEW** intelligent technology, LearnSmart, offers flashcards that personalize the study experience by constantly adapting, emphasizing the concepts a student still needs to master. **NEW** animated, narrated Guided Examples connected to practice exercises within *Connect Accounting* provide a step-by-step walkthrough of a similar exercise, assisting students when they need it most. *Connect Accounting's* **NEW** Self-Quiz and Study provides a study plan that recommends specific readings from the text, supplemental narrated PowerPoints, and practice exercises that will improve students' understanding of each learning objective. Finally, the student library within *Connect* gives students access to additional resources, such as forms for the **NEW** Applying Excel feature, Interactive Presentations for each learning objective, an electronic version of the textbook, and more.

Just as the lighthouse continues to provide reliable guidance to seafarers, the Garrison/Noreen/Brewer book continues its tradition of helping students sail successfully through managerial accounting by always focusing on three important qualities: **relevance, accuracy, and clarity.**

RELEVANCE. Every effort is made to help students relate the concepts in this book to the decisions made by working managers. In the fourteenth edition, the authors have written a new Chapter 1 with the goal of helping all business students better understand why managerial accounting is relevant to their future careers. New and revised In Business boxes throughout the book link chapter concepts to pertinent real-world examples. Service industry references appear throughout the chapter narrative and end-of-chapter material to provide students with relevant context for the material they are learning. The robust *Connect Accounting* technology package is populated with new and exciting tools to help keep students engaged in the learning process. For these reasons and many more, a student reading Garrison should never have to ask “Why am I learning this?”

ACCURACY. The Garrison book continues to set the standard for accurate and reliable material in its fourteenth edition. With each revision, the authors evaluate the book and its supplements in their entirety, working diligently to ensure that the end-of-chapter material, solutions manual, and test bank are consistent, current, and accurate.

CLARITY. Generations of students have praised Garrison for the friendliness and readability of its writing, but that’s just the beginning. In the fourteenth edition, the authors have rewritten various chapters with input and guidance from instructors around the country to ensure that teaching and learning from Garrison remains as easy as it can be. In addition, the authors have taken an active role in building out *Connect Accounting*, carefully reviewing its various components to ensure clarity and consistency with the textbook.

The authors’ steady focus on these three core elements has led to tremendous results. *Managerial Accounting* has consistently led the market, being used by over two million students and earning a reputation for reliability that other texts aspire to match.

Garrison’s *Managerial Accounting* text is one of the best introductory texts available today. It provides students with the tools and information needed to help them successfully learn this material in an interesting and engaging manner. The Garrison text is the only option.

*Tracy Campbell Tuttle,
San Diego Mesa Community College*

Good service industry materials. The more I read the book, the more I appreciated this information. The homework . . . directed toward service business expands the relevance of the material to the student.

*Don Lucy,
Indian River State College*

A well-done text that is a pleasure to teach from.

*Joseph Gerard,
University of Wisconsin—Whitewater*

It’s still the best book on the market, and my students continually tell me what a great book it is.

*Charles Caliendo,
University of Minnesota*

Garrison's

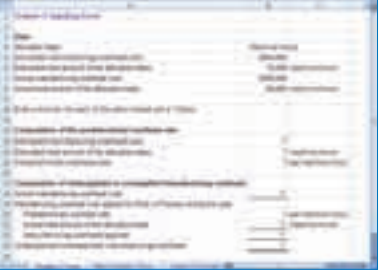
Managerial Accounting includes pedagogical elements that engage and instruct students without cluttering the pages or interrupting student learning. Garrison's key pedagogical tools enhance and support students' understanding of the concepts rather than compete with the narrative for their attention.

Job-Order Costing 113

connect ACCOUNTING Applying Excel

Available with McGraw-Hill's Connect™ Accounting. LEARNING OBJECTIVES 1, 4, 7

The Excel worksheet form that appears below is to be used to recreate part of the example on page 104. Download the workbook containing this form from the Online Learning Center at www.mhhe.com/garrison14e. On the website you will also receive instructions about how to use this worksheet form.



You should proceed to the requirements below only after completing your worksheet.

Required:

1. Check your worksheet by changing the estimated total amount of the allocation base in the Data area to 60,000 machine-hours, keeping all of the other data the same as in the original example. If your worksheet is operating properly, the predetermined overhead rate should now be \$5.00 per machine-hour. If you do not get this answer, find the errors in your worksheet and correct them.
How much is the underapplied (overapplied) manufacturing overhead? Did it change? Why or why not?
2. Determine the underapplied (overapplied) manufacturing overhead for a different company with the following data:

| Allocation base | Machine-hours |
|---|----------------------|
| Estimated manufacturing overhead cost | \$100,000 |
| Estimated total amount of the allocation base | 50,000 machine-hours |
| Actual manufacturing overhead cost | \$90,000 |
| Actual total amount of the allocation base | 40,000 machine-hours |

NEW to the fourteenth edition of Garrison! Applying Excel

This **NEW** and exciting end-of-chapter feature **links the power of Excel with managerial accounting concepts** by illustrating how Excel functionality can be used to better understand accounting data. Applying Excel goes beyond plugging numbers into a template by providing students with an opportunity to build their own Excel worksheets and formulas. Students are then asked “what if” questions in which they analyze not only **how** related pieces of accounting data affect each other but **why** they do. Applying Excel immediately precedes the Exercises in twelve of the fifteen chapters in the book and is also **integrated with McGraw-Hill's Connect™ Accounting**, allowing students to practice their skills online with algorithmically generated datasets.

An excellent pedagogical feature that helps further reinforce students' knowledge of key concepts in the text book, while strengthening students' Excel skills that are so important in the work place. This will further enhance an already excellent text.

Marianne L. James, California State University, Los Angeles

[Applying Excel is] an excellent way for students to programmatically develop spreadsheet skills without having to be taught spreadsheet techniques by the instructor. A significant associated benefit is that students gain more exposure to the dynamics of accounting information by working with what-if scenarios.

Earl Godfrey, Gardner-Webb University

Powerful Pedagogy

Opening Vignette

Each chapter opens with a **Business Focus** feature that provides a real-world example for students, allowing them to see how the chapter's information and insights apply to the world outside the classroom. Opening Vignettes now feature international companies such as Emaar, Aramco, Aramex, and Batelco. **Learning Objectives** alert students to what they should expect as they progress through the chapter.

I like how you engage the reader with the “Business Focus” at the beginning of the chapter.

*Kathy Crusto-Way,
Tarrant County College*

This textbook speaks to today's student with Excel-based visuals, discussions on hot topics, such as corporate responsibility, and examples from recognizable companies. It also prepares students for business and CPA and CMA examinations.

*Alison Jill Brock,
Imperial Valley College*

Profit Planning

GULF AIR Planning for Some Fresh Gulf Air



BUSINESS FOCUS

One may question the wisdom of even entertaining the thought of investing further cash in an airline losing “more than a million dollars a day”, but that's exactly what the Bahraini government did! In October 2010, it pumped one billion dollars into its national carrier, Gulf Air. Based on what? A plan! A three-year plan that is expected to save the country up to BD 1 billion (US \$2.65 billion). The plan was developed in response to “a clear mandate: to build an efficient, commercially sustainable and dynamic airline that effectively serves the people

and the economy of Bahrain and represents the Kingdom on the world stage”. “The plan”, says Gulf Air CEO, Mr. Samer Majali, who was hired in 2009 to lead the company's turnaround, “is to essentially move from a \$500m loss in 2009 to a zero loss in 2012, cutting the losses by one third over a year.” Budget implementation calls for trimming costs and improving yields. Performance to date has been promising and company officials are optimistic about meeting the objectives set for 2010. ■

Sources: <http://www.arabianbusiness.com/flying-solo-351085.html>
http://www.menafr.com/qn_news_story_s.asp?StoryId=1093374252&src=MOEN
<http://www.breakingtravelnews.com/news/article/gulf-air-unveils-new-strategy-to-stem-losses/>
<http://www.zawya.com/story.cfm?sidZAWYA20101028103249/Medicine%20Man>
http://www.menafr.com/qn_news_story_s.asp?StoryId=1093374252&src=MOEN

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Chapter

LEARNING OBJECTIVES

After studying Chapter 8, you should be able to:

- L01 Understand why organizations budget and the processes they use to create budgets.
- L02 Prepare a sales budget, including a schedule of expected cash collections.
- L03 Prepare a production budget.
- L04 Prepare a direct materials budget, including a schedule of expected cash disbursements for purchases of materials.
- L05 Prepare a direct labor budget.
- L06 Prepare a manufacturing overhead budget.
- L07 Prepare a selling and administrative expense budget.
- L08 Prepare a cash budget.
- L09 Prepare a budgeted income statement.
- L010 Prepare a budgeted balance sheet.

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A text the students will enjoy reading.

*Ruth W. Epps,
Virginia Commonwealth University*

In Business Boxes

These helpful boxed features offer a glimpse into how real companies use the managerial accounting concepts discussed within the chapter. Each chapter contains from three to fourteen of these current examples. Many now feature companies based in the Middle East region.

Managerial Accounting in Action Vignettes

These vignettes depict cross-functional teams working together in real-life settings, working with the products and services that students recognize from their own lives. Students are shown step-by-step how accounting concepts are implemented in organizations and how these concepts are applied to solve everyday business problems. First, “The Issue” is introduced through a dialogue; the student then walks through the implementation process; finally, “The Wrap-up” summarizes the big picture.

IN BUSINESS



QATAR LOOKING FORWARD TO 2022

On Thursday, December 2nd, 2010, Qatar won the bid to host the 2022 FIFA World Cup Games. It is the first country in the Middle East to have ever earned this privilege, and undoubtedly the smallest one, too. Several concerns have been raised against this decision including the excessively hot temperatures during the expected time frame of the event (June and July) and the currently inadequate infrastructure. Among other improvements, public transport will have to be significantly upgraded and new stadiums will not only have to be built, but air-conditioned, too. The Qatari Government did not wait until the decision came out to take action. It had already increased spending for the current fiscal year (April 1, 2010 to March 30, 2011) by 25% to 117.9 billion riyals (\$32.4 billion) in its latest budget endorsed in March 2010. Forty percent of this budget has been allocated to infrastructure including roads, sewage, electricity and water networks, the New Doha International Airport, and the New Doha Seaport. These new investments are supported by a 43% increase in the capacity to produce liquefied natural gas, as well as increase in oil prices—from \$40 (in fiscal 2009–2010) to \$55 a barrel. As a result, not only have 2010–2011 budgeted revenues increased, but also a 10 billion riyals surplus is budgeted for the year as opposed to a 5.8 billion-riyal deficit for the prior year. It seems that the expectations that the World Cup will have a substantial impact on Qatar’s economic growth over the next few years may very well be true after all.

Flexible Budgets and Performance Analysis

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Victoria: Let me show you what I’ve got. [Victoria shows Mohammad the flexible budget performance report in Exhibit 9-7.] I simply used the cost formulas to update the budget to reflect the increase in client-visits you experienced in March. That allowed me to come up with a better benchmark for what the costs should have been.

Mohammad: That’s what you labeled the “flexible budget based on 1,100 client-visits”?
Victoria: That’s right. Your original budget was based on 1,000 client-visits, so it understated what some of the costs should have been when you actually served 1,100 customers.

Mohammad: That’s clear enough. These spending variances aren’t quite as shocking as the variances on my first report.

Victoria: Yes, but you still have an unfavorable variance of \$2,360 for client gratuities.

Mohammad: I know how that happened. In March there was a big Democratic Party fundraising dinner that I forgot about when I prepared the March budget. To fit all of our regular clients in, we had to push them through here pretty fast. Everyone still got top-rate service, but I felt bad about not being able to spend as much time with each customer. I wanted to give my customers a little extra something to compensate them for the less personal service, so I ordered a lot of flowers, which I gave away by the bunch.

Victoria: With the prices you charge, Mo, I am sure the gesture was appreciated.

Mohammad: One thing bothers me about the report. When we discussed my costs before, you called rent, liability insurance, and employee health insurance fixed costs. How can I have a variance for a fixed cost? Doesn’t fixed mean that it doesn’t change?

Victoria: We call these costs *fixed* because they shouldn’t be affected by *changes in the level of activity*. However, that doesn’t mean that they can’t change for other reasons. Also, the use of the term *fixed* also suggests to people that the cost can’t be controlled, but that isn’t true. It is often easier to control fixed costs than variable costs. For example, it would be fairly easy for you to change your insurance bill by adjusting the amount of insurance you carry. It would be much more difficult for you to significantly reduce your spending on hairstyling supplies—a variable cost that is a necessary part of serving customers.

Mohammad: I think I understand, but it is confusing.

Victoria: Just remember that a cost is called variable if it is proportional to activity; it is called fixed if it does not depend on the level of activity. However, fixed costs can change for reasons unrelated to changes in the level of activity. And controllability has little to do with whether a cost is variable or fixed. Fixed costs are often more controllable than variable costs.

MANAGERIAL ACCOUNTING IN ACTION
The Wrap-up



HOTELS MANAGE REVENUE AND COST LEVERS AMID RECESSION

2009 was perhaps the toughest year ever for the hotel industry as revenue per available room (RevPAR), an industry benchmark, zoomed downwards. The overall decline, as compared to 2008, in the Middle East market averaged 15–20%, and 23% in Dubai alone. Moreover, in Dubai and Abu Dhabi, where additional hotels are expected to enter the market, the latter are expected to put further downward pressure on RevPAR. For hotels to cope, after having exhausted most cost-cutting strategies, one solution is to pursue cost-containment and revenue-maintenance.

One tactic to accomplish this is to include additional value-added services in the room rate rather than decrease the rate. Examples include complimentary airport transfers, breakfast, internet, etc.

Another tactic is to explore alternative source markets, such as China, given that demand from Dubai’s traditional source markets has dropped.

A flexible budget performance report can help hotel managers analyze how the changes described above impact net operating income. It isolates activity, revenue, and spending variances that help identify the underlying reasons for differences between budgeted and actual net operating income.

Source: <http://www.enr.com/2010/04/06/1.100404>

IN BUSINESS



I found the text to be thorough and well organized. I was particularly impressed with the numerous real-world examples included in the “in business” boxes to make the topical discussions more meaningful.

Jerry Thorne,
North Carolina
A & T State University



End-of-Chapter Material

Managerial Accounting has earned a reputation for the best end-of-chapter practice material of any text on the market. Our problem and case material continues to conform to AACSB recommendations and makes a great starting point for class discussions and group projects. When Ray Garrison first wrote *Managerial Accounting*, he started with the end-of-chapter material, then wrote the narrative in support of it. This unique approach to textbook authoring not only ensured consistency between the end-of-chapter material and text content but also underscored Garrison's fundamental belief in the importance of applying theory through practice. It is not enough for students to read, they must also understand. To this day, the guiding principle of that first edition remains, and Garrison's superior end-of-chapter material continues to provide accurate, current, and relevant practice for students.

In this edition, the authors have added a **NEW** end-of-chapter feature called Applying Excel. Applying Excel integrates key course concepts and Excel—a software students will encounter in the workplace, whether they go into accounting or any other business major. With Applying Excel, students not only gain practice working with Excel software, they also learn how Excel can be used to present accounting data and how that data is interrelated. For more information on this exciting new feature, please see page x.

A proven, comprehensive text that effectively covers important managerial accounting topics. [The] end-of-chapter materials are second to none.

*Jerry Kreuzer,
Western Michigan University*

This text is a comprehensive and very readable presentation of essential introductory managerial accounting topics. The end-of-chapter materials are excellent and enhance the chapter material.

*Darlene Coarts,
University of Northern Iowa*

Author-Written Supplements

Unlike other managerial accounting texts, the book's authors write all of the major supplements, ensuring a perfect fit between text and supplements. For more information on *Managerial Accounting's* supplements package, see page xxi.

- Instructor's Manual
- Test bank
- Solutions Manual
- Workbook/Study Guide

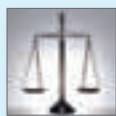
Utilizing the Icons



To reflect our service-based economy, the text is replete with examples from service-based businesses. A helpful icon distinguishes service-related examples in the text.



The IFRS icon highlights content that may be affected by the impending change to IFRS and possible convergence between U.S. GAAP and IFRS.



Ethics assignments and examples serve as a reminder that good conduct is vital in business. Icons call out content that relates to ethical behavior for students.



The writing icon denotes problems that require students to use critical thinking as well as writing skills to explain their decisions.



An Excel icon alerts students that spreadsheet templates are available for use with select problems and cases.

Garrison's *Managerial Accounting* is one of the most well-written managerial accounting textbooks that I have ever used or reviewed in my 30-year career as a professor of management accounting. The problem material is excellent, the ancillary material is outstanding, and the publisher support is unequalled. The on-line homework system is superior to all that I have used or reviewed.

*Olen L. Greer,
Missouri State University*

This is a tremendously well-organized and written text that is full of real world examples. Complex topics are explained in a simple and yet detailed fashion.

*Matt Muller,
Adirondack Community College*

This is still the best managerial accounting book out there for accounting and non-accounting students!

*Alfred C Greenfield, Jr.,
High Point University*

New to the Fourteenth Edition

Faculty feedback helps us continue to improve *Managerial Accounting*. In response to reviewer suggestions, the authors have made the following changes to the text:

- A **NEW Applying Excel feature** has been added to Chapters 2–13. Applying Excel gives students the opportunity to practice using Excel formulas to build their own worksheets. They are then asked a series of “what if” questions, all of which illustrate the relationship among various pieces of accounting data. The Applying Excel feature links directly to the concepts introduced in the chapter, providing students with an invaluable opportunity to apply what they have learned using a software they will use throughout their careers, whether they become an accountant or not.
- **Chapter 1** has been completely overhauled to help all business students better understand why managerial accounting is relevant to their future careers.
- **Chapter 2** has been extensively rewritten to include coverage of mixed costs and contribution format income statements. The redundant coverage of the schedule of cost of goods manufactured has been eliminated so that it is now only covered in the Job-Order Costing chapter. The comparison of financial and managerial accounting has been moved to Chapter 1.
- **Chapter 14** This chapter has been completely overhauled to simplify the process of creating a statement of cash flows.
- New **In Business boxes** have been added throughout to provide relevant and updated real-world examples for use in classroom discussion and to support student understanding of key concepts as they read through a chapter. This edition also includes examples from international companies based in the Middle East region.
- The **end-of-chapter practice material** has been updated throughout.

Chapter 1

This chapter has been completely rewritten to better motivate all business students to take an interest in managerial accounting and to appreciate its relevance to their future careers. The new version of Chapter 1 answers three questions: (1) What is Managerial Accounting? (2) Why Does Managerial Accounting Matter to Your Career? and (3) What Skills Do Managers Need to Succeed? It also retains coverage of two topics important to all managers: (1) ethics in business and (2) corporate social responsibility.

Chapter 2

This chapter has been completely revised to achieve three objectives. First, we eliminated redundant coverage of the schedule

of cost of goods manufactured, which in previous editions was covered in Chapter 2 as well as the Job-Order Costing chapter. Now this topic is covered only once in the Job-Order Costing chapter using normal costing principles. Second, we moved the coverage of mixed costs, scattergraph plots, and the high-low method from the Cost Behavior chapter to Chapter 2. This enables instructors to introduce cost estimation earlier in the course. The least-squares regression appendix has also been moved from the Cost Behavior chapter to Chapter 2. Third, we moved coverage of traditional and contribution format income statements for merchandising companies from the Cost Behavior chapter to Chapter 2. This enables instructors to introduce contribution format income statements earlier in the course. Using merchandising companies as the initial

platform for comparing income statement formats provides an easily understood (student-friendly) introduction to this topic. The more complex arena of manufacturing cost accounting is covered in later chapters such as the Job-Order Costing and Variable Costing chapters. The Cost Behavior chapter has been completely eliminated given that its key learning objectives have been transferred to Chapter 2. The appendix dealing with further classification of labor costs has been moved from Chapter 2 to the Job-Order Costing chapter.

Chapter 3

In this chapter, we adjusted the learning objectives to provide a more logical progression from computing an overhead rate (LO1), to applying overhead cost to jobs (LO2), and then to computing a job cost (LO3). We also added a cost formula approach to computing predetermined overhead rates. We were able to do this because the high-low method is now covered in Chapter 2. We deleted what were formerly learning objectives 1 and 2 from the prior edition of the book and incorporated an exhibit formerly from Chapter 2 that provides a conceptual overview of manufacturing cost flows.

Chapter 6

The coverage of variable and absorption costing has been reorganized so that variable costing is discussed first, followed by absorption costing. Discussing variable costing first (rather than absorption costing) is consistent with the title of the chapter, which focuses on variable costing as a tool for management. The coverage of segmented income statements has been moved from Chapter 12 in the prior edition of the book to this chapter. The common theme that now joins together the chapter's two main topics is the contribution format income statement. The chapter now demonstrates how the contribution format is used for Variable Costing income statements and how it can be used for segmented income statements.

Chapter 10

This chapter's general model for standard cost variance analysis has been reorganized to more clearly integrate with the variance analysis framework introduced in the prior chapter. The prior chapter introduces a framework for computing activity and spending variances within organizations that do not use standard costing. The revised general model in this chapter extends the

framework from the prior chapter and explains how it can be used to break down spending variances into quantity and price variances.

Chapter 11

This chapter has been renamed and reorganized. The new title is Performance Measurement in Decentralized Organizations. It is now organized in three main sections. The first section discusses financial performance measures for investment centers. The second section discusses nonfinancial operating performance measures. The third section explains how the balanced scorecard framework can be used to pull together financial and nonfinancial measures into one strategy-driven performance measurement system. Also, the coverage of segmented income statements was moved to an earlier chapter.

Chapter 12

The title of this chapter has been changed from Relevant Costs for Decision Making to Differential Analysis: The Key to Decision Making. This change acknowledges that revenues as well as costs can be relevant to decisions. We have also improved the discussion related to utilization of a constrained resource. The prior edition of the book had one learning objective related to this topic, whereas now we break down the discussion of this topic into two learning objectives. The first learning objective focuses on determining the most profitable use of a constraining resource, and the second learning objective focuses on calculating the value of obtaining more of the constrained resource. We expanded the discussion related to the latter learning objective.

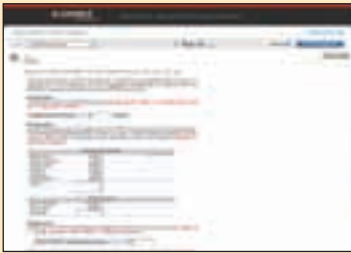
Chapter 14

The chapter has been rewritten to simplify the process of preparing a statement of cash flows. We have added Exhibit 14–4, which succinctly summarizes the main points that students need to understand to prepare a statement of cash flows and revised Exhibit 14–1 so that it provides a more student-friendly definition of operating, investing, and financing activities than in previous editions. We have replaced the worksheet method with an approach that students can use to more efficiently solve end-of-chapter problems and also replaced the two walkthroughs of the Nordstrom example (simplified and full-fledged) with one walkthrough. We have also expanded the discussion related to interpreting the statement of cash flows.

A Market-Leading Book Deserves Market-Leading Technology

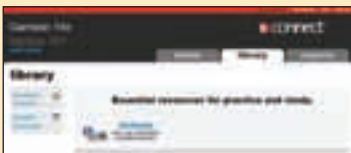
McGraw-Hill's **Connect™ Accounting**

McGraw-Hill's *Connect™ Accounting* is an online assignment and assessment solution that connects you with the tools and resources necessary to achieve success through faster learning, more efficient studying, and higher retention of knowledge.



Online Assignments

McGraw-Hill's *Connect Accounting* helps students learn more efficiently by providing feedback and practice material when and where they need it. *Connect Accounting* grades homework automatically and gives immediate feedback on any questions students may have missed.



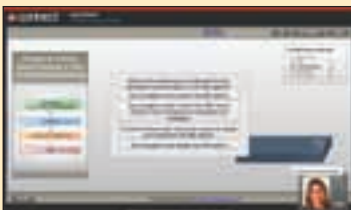
Student Library

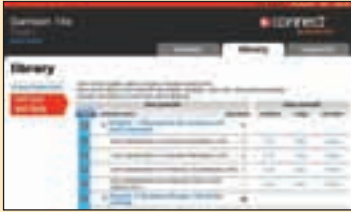
The *Connect Accounting* Student Library gives students access to additional resources such as recorded lectures, Self-Quiz and Study practice materials, an eBook, and more.



Guided Examples

Guided Examples, embedded within *Connect Accounting*, provide a narrated, animated, step-by-step walkthrough of select exercises similar to those assigned. These short presentations provide reinforcement when students need it most.





Self-Quiz and Study

Self-Quiz and Study connects students to the learning resources they need to succeed in the course. For each chapter, students can take a practice quiz and immediately see how well they performed. A study plan then recommends specific readings from the text, supplemental study material, and practice exercises that will improve students' understanding and mastery of each learning objective.

Less Managing. More Teaching. Greater Learning.

McGraw-Hill's *Connect Accounting* offers a number of powerful tools and features to make managing assignments easier, so faculty can spend more time teaching. With *Connect Accounting*, students can engage with their coursework anytime, anywhere, making the learning process more accessible and efficient. Please see the previous page for a description of the student tools available within *Connect Accounting*.



McGraw-Hill's *Connect Accounting* for Instructors

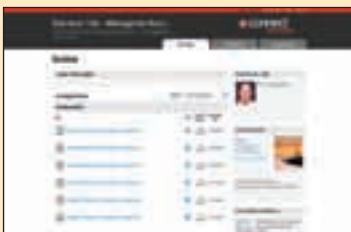
Simple Assignment Management and Smart Grading. With McGraw-Hill's *Connect Accounting*, creating assignments is easier than ever, so you can spend more time teaching and less time managing. *Connect Accounting* enables you to:

- Create and deliver assignments easily with selectable end-of-chapter questions and test bank items.
- Go paperless with the eBook and online submission and grading of student assignments.
- Have assignments scored automatically, giving students immediate feedback on their work and comparisons with correct answers.
- Reinforce classroom concepts with practice tests and instant quizzes.



Instructor Library

The *Connect Accounting* Instructor Library is your repository for additional resources to improve student engagement in and out of class. You can select and use any asset that enhances your lecture. The *Connect Accounting* Instructor Library includes access to:



- Solutions manual
- Instructor's manual
- Test bank
- Instructor PowerPoint® slides
- Transparency masters
- The e-book version of the text

Student Reports

McGraw-Hill's *Connect Accounting* keeps instructors informed about how each student, section, and class is performing, allowing for more productive use of lecture and office hours. The reports tab enables you to:

- View scored work immediately and track individual or group performance with assignment and grade reports.
- Access an instant view of student or class performance relative to learning objectives.
- Collect data and generate reports required by many accreditation organizations, such as AACSB and AICPA.



McGraw-Hill's *Connect™ Plus Accounting*

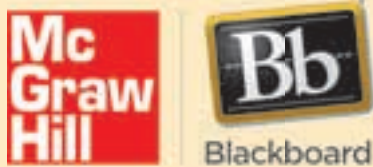
McGraw-Hill reinvents the textbook learning experience for the modern student with *Connect Plus Accounting*, which provides a seamless integration of the eBook and *Connect Accounting*. *Connect Plus Accounting* provides all of the *Connect Accounting* features, as well as:

- An integrated eBook, allowing for anytime, anywhere access to the textbook.
- Dynamic links between the problems or questions you assign to your students and the location in the eBook where the concept related to that problem or question is covered.
- A powerful search function to pinpoint and connect key concepts in a snap.



For more information about *Connect Accounting*, go to www.mcgrawhillconnect.com, or contact your local McGraw-Hill sales representative.

Online Course Management



Do More

McGraw-Hill Higher Education and Blackboard have teamed up. What does this mean for you?

1. **Your life, simplified.** Now you and your students can access McGraw-Hill's *Connect*[™] and *Create*[™] right from within your Blackboard course—all with one single sign-on. Say goodbye to the days of logging in to multiple applications.
2. **Deep integration of content and tools.** Not only do you get single sign-on with *Connect* and *Create*, you also get deep integration of McGraw-Hill content and content engines right in Blackboard. Whether you're choosing a book for your course or building *Connect* assignments, all the tools you need are right where you want them—inside of Blackboard.
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eCollegeSM

In addition to Blackboard integration, course cartridges for whatever online course management system you use (e.g., WebCT or eCollege) are available for Garrison 14e. Our cartridges are specifically designed to make it easy to navigate and access content online. They are easier than ever to install on the latest version of the course management system available today.

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At McGraw-Hill/Irwin, we understand that getting the most from new technology can be challenging. That's why our services don't stop after you purchase our book. You can e-mail our Product Specialists 24 hours a day, get product training online, or search our knowledge bank of Frequently Asked Questions on our support Website. For Customer Support, call 800-331-5094 or visit www.mhhe.com/support. One of our Technical Support Analysts will assist you in a timely fashion.

Instructor Supplements

Assurance of Learning Ready

Many educational institutions today are focused on the notion of assurance of learning, an important element of some accreditation standards. *Managerial Accounting*, 14e, is designed specifically to support your assurance of learning initiatives with a simple, yet powerful, solution.

Each test bank question for *Managerial Accounting*, 14e, maps to a specific chapter learning outcome/objective listed in the text. You can use our test bank software, EZ Test, to easily query for learning outcomes/objectives that directly relate to the learning objectives for your course. You can then use the reporting features of EZ Test to aggregate student results in similar fashion, making the collection and presentation of assurance of learning data simple and easy.

AACSB Statement

The McGraw-Hill Companies, Inc., is a proud corporate member of AACSB International. Recognizing the importance and value of AACSB accreditation, we have sought to recognize the curricula guidelines detailed in AACSB standards for business accreditation by connecting selected questions in *Managerial Accounting*, 14e, to the general knowledge and skill guidelines found in the AACSB standards. The statements contained in *Managerial Accounting*, 14e, are provided only as a guide for the users of this text. The AACSB leaves content coverage and assessment clearly within the realm and control of individual schools, the mission of the school, and the faculty. The AACSB does also charge schools with the obligation of doing assessment against their own content and learning goals. While *Managerial Accounting*, 14e, and its teaching package make no claim of any specific AACSB qualification or evaluation, we have, within *Managerial Accounting*, 14e, labeled selected questions according to the six general knowledge and skills areas. The labels or tags within *Managerial Accounting*, 14e, are as indicated. There are, of course, many more within the test bank, the text, and the teaching package which might be used as a “standard” for your course. However, the labeled questions are suggested for your consideration.

McGraw-Hill's Connect™ Accounting



McGraw-Hill's *Connect™ Accounting* offers a number of powerful tools and features to make managing your classroom easier. *Connect Accounting* with Garrison 14e offers enhanced features and technology to help both you and your students make the most of your time inside and outside the classroom. See page xvii for more details.



Online Learning Center (www.mhhe.com/garrison14e)

The password protected instructor side of the book's Online Learning Center (OLC) houses all the instructor resources you need to administer your course, including:

- Solutions Manual
- Instructor's Manual
- Test bank
- Instructor PowerPoint slides
- Transparency masters

If you choose to use *Connect Accounting* with Garrison, you will have access to these same resources via the Instructor Library.

Instructor CD-ROM

MHID 0-07-731779-3

ISBN-13 978-0-07-731779-9

Allowing instructors to create a customized multimedia presentation, this all-in-one resource incorporates the Test bank, Instructor PowerPoint slides, Instructor's Manual, and Solutions Manual.

EZ Test

Available on the Instructor's CD, Instructor's OLC, and within the *Connect* Instructor Library.

McGraw-Hill's EZ Test is a flexible electronic testing program. The program allows instructors to create tests from book-specific items. It accommodates a wide range of question types, plus instructors may add their own questions and sort questions by format. EZ Test can also scramble questions and answers for multiple versions of the same test.

Instructor's Manual

Available on the Instructor CD, Instructor's OLC, and within the *Connect* Instructor Library.

Extensive chapter-by-chapter lecture notes help with classroom presentations and contain useful suggestions for presenting key concepts and ideas. This manual is coordinated with the PowerPoint slides, making lesson planning even easier.

Print Test Bank

Volume 1:

MHID 0-07-731782-3

ISBN-13 978-0-07-731782-9

Volume 2:

MHID 0-07-731783-1

ISBN-13 978-0-07-731783-6

Over 2,000 questions are organized by chapter and include true/false, multiple-choice, and problems. The test bank includes

worked-out solutions, and all items have been tied to AACSB-AICPA standards and Bloom's Taxonomy categories.

Solutions Manual

Available on the Instructor's CD, Instructor's OLC, and within the *Connect* Instructor Library.

This supplement contains completely worked-out solutions to all assignment material. In addition, the manual contains suggested course outlines and a listing of exercises, problems, and cases scaled according to difficulty and estimated time for completion. Solutions to the NEW Applying Excel feature are housed in the same location as the Solutions Manual and include the completed Excel forms.