CONTABILIDADE ANALÍTICA DAS ADMINISTRAÇÕES PÚBLICAS

Degree in Public Management

Code: 1381012

Main Scientific Area: Accounting and Financial Reporting

Lecturer: Maria de Lurdes de Antas de Barros Caldeira Barroso

Language of Instruction: Portuguese

Regime: S1

Contact Hours: 45h Total Workload: 95h

ECTS: 5,0

Objectives

Considering that graduate students in Public Management should exercise management functions at the highest level, in public organizations, it is crucial for them to acquire knowledge in the area of analytical and cost accounting. Thus, the aim of this course is to provide the necessary knowledge to understand the basic concepts and existing models of analytical accounting, understand the role of cost accounting system to support the decision-making process, as well as its adaptation to the specific context of public entities.

In the context of the Portuguese public sector, special emphasis will be given to the study of cost accounting models (1) in the Portuguese municipalities, (2) in the education sector, and (3) in the health sector, within the Management Accounting Standard (NCP 27) of the Accounting Standardisation System for Public Administrations (SNC-AP), approved by the Government, through the publication in the Republic Diary of the Decree-Law No. 192/2015 of September 11.

Learning Outcomes

Students are supposed to acquire the following knowledge and skills:

- Understand the basics of cost accounting;

- Understand the role of cost accounting system to support the decision making process;

- Analysis and interpretation of the income statement by function;

- Understand the main components of the calculation of production/provision costs of goods and services (materials, labour, indirect costs);

- Understand the existing models of costs calculation and the various costing systems, and the main differences between them;

- Understand the importance of the New Public Management paradigm in developing models of analytical accounting;

- Understanding the mandatory cost accounting models in the context of the Public Accounting Standard 27 – Management Accounting, of the SNC-AP;

- Development of a critical thinking in the various subjects analyzed throughout the course unit, being aware of the difficulties related to the implementation of these models within the political-administrative context.

Course Contents

I – Fundamentals of Analytical Accounting

1.1 Introduction to Analytical Accounting

1.2 Definition, scope, objectives and characteristics of Analytical Accounting

1.3 Economic and financial terms: costs and income, expenses and revenues, payments and receipts, losses and gains

II – Analytical Accounting as a management tool

2.1 Types of costs and reclassifications

2.2 Hierarchy of costs

2.3 Gross, net and pure profits

2.4 Product costs and period costs

2.5 Analytical income statement by functions: scope and legal framework

III – Analysis of the components of production cost

3.1 Raw material costs and other materials

3.2 Direct labor costs

3.3 Manufacturing overheads

3.3.1 Cost allocation/assignment coefficients

3.3.2 Allocation criteria

3.3.3 Single and multiple allocation criteria

3.3.4 Theoretical coefficients: ordinary and ideal

IV – Costing systems in allocating costs

4.1 Full costing

4.2 Variable costing

4.3 Rational costing

4.4 Direct costing

V - Application of cost accounting / analytical to public management

5.1 The Role of Cost / Analytical Accounting in public management

5.2 Objectives of Cost / Analytical Accounting in public management

5.3 Legal impulse for the development of Cost / Analytical Accounting in public entities

5.4 Cost Accounting System in local government

5.4.1 Application field

5.4.2 Objectives of Cost Accounting within the NCP 27

5.4.3 Functional Classification and calculation of the costs of goods and services

5.4.4 Reclassification of costs and costing system used

5.4.5 Methods of costs calculation

5.4.6 Cost Accounting documents

5.4.7 Practical suggestions for implementing the Cost Accounting System in local government

5.4.8 The Cost Accounting System Cost and the problem of fixing the rates and prices of public goods/services

5.5 Analytical Accounting in the education sector

5.5.1 Application field

5.5.2 Objectives of Cost Accounting within the NCP 27

5.5.3 Methods of costs calculation

5.5.4 Cost Accounting documents

5.6 Analytical Accounting the education sector

5.6.1 Application field

5.6.2 Objectives of Cost Accounting within the NCP 27

5.6.3 Methods of costs calculation

5.6.4 Cost Accounting documents

Recommended Bibliography

CAIADO, António Pires (2012). Contabilidade Analítica e de Gestão (7ª edição). Lisboa: Áreas Editora.

FRANCO, V. S., MORAIS, A. I., OLIVEIRA, A. B., MAJOR, M. J., SERRASQUEIRO, R., Jesus, M. A., OLIVEIRA, B. J. (2007). Temas de Contabilidade de Gestão: Gestão Orçamental e Medidas Financeiras de Avaliação do Desempenho (2ª edição). Lisboa: Livros Horizonte.

FRANCO, V. S., OLIVEIRA, A. V., MORAIS, A. I., OLIVEIRA, B. J., LOURENÇO, I. C., MAJOR, M. J., JESUS, M. A., SERRASQUEIRO, R. (2010). Temas de Contabilidade de Gestão: Os Custos, os Resultados e a Informação para a Gestão (3ª edição). Lisboa: Livros Horizonte.

MARTINS, Ana Lucas (2017). Contabilidade de Gestão nas Administrações Públicas Segundo a norma de Contabilidade Pública 27 do SNC-AP. Lisboa: Rei dos Livros.

Learning and Teaching Methods

The growing relevance of analytical accounting for all organizations, in particular the public sector, and the need to make timely and appropriate decisions, justify the first chapter of the program, so that the building blocks of the unit course may be learned by the students.

In order to understand the main types of costs, the second chapter is devoted to the reclassification of costs and the analysis of the income statement by functions.

The third, fourth and fifth chapters aim to achieve the objectives related with the need to illustrate of the basic procedures at the level of cost accounting and the distinction of different types of costing systems and cost allocation/assignment methods, and also to understand the analytical accounting application in any organizational structure, in particular its adaptation to the specific context of public entities.

Assessment Methods

The evaluation of students will be the continuous type and includes three main components of evaluation occurring at different points in time:

E-learning regime:

(a) Comprehensive, written and online, global assessment test, to be held on a date scheduled by the Course Director, with a 70% weight in the final grade and a minimum score of 8 points in a scale ranging from 0 to 20;

(b) Resolution of small case studies(e-folios), individually, at home or in the context of virtual classroom, to be held ideally at the end of some program modules/chapters, with a 30% weight in the final grade.

b1) E-fólio 1: resolution at home, in the end of chapter II, with a 15% weight in the final grade;

b2) E-fólio 2: resolution at home, in the end of chapter IV, with a 15% weight in the final grade.

Regarding the elements of online assessment (a) and (c), the teacher may request the oral validation of the grade. This validation can be random or targeted to specific students and replaces the test/e-folio grade.

The final grade is computed as the weighted average of the three main components of evaluation, and the approval in the continuous evaluation regime demands a minimum rounded grade of 10, in a scale ranging from 0 to 20:

Final grade = Global test * (70% and minimum score of 8) + E-fólio 1 * 15% + E-fólio 2 * 15%

Classroom teaching regime:

(a) Comprehensive, written and in person, global assessment test, to be held on a date scheduled by the Course Director, with a 60% weight in the final grade and a minimum score of 8 points in a scale ranging from 0 to 20;

(b) Active participation in the classroom, with a 20% weight in the final grade Active participation involves the resolution of small practical cases that students will be asked to solve, individually or in groups, in the classroom context and without prior notice.

(c) Group work, with a 20% weight in the final grade. The group work consists of making a video, lasting 5 minutes, covering one of the topics of the curricular unit program, applied in the context of a public entity. The video will be presented by all the members of the group in the classroom.

The final grade is computed as the weighted average of the three main components of evaluation, and the approval in the continuous evaluation regime demands a minimum rounded grade of 10, in a scale ranging from 0 to 20:

Final grade = Global test * 60% (minimum score of 8) + Active participation * 20% + Group work * 20%

According to RIAPA - ESG (Inscription, Evaluation and Year Transition Regulation of the Management School of IPCA), students who fail the continuous assessment must undergo the final exam evaluation, which consists of conducting a comprehensive written and in person assessment examination, with a 100 % weight in the final grade, taking place at the time of the 2nd semester exams season or in the special evaluation season:

Final grade = Final exam * 100%

Regardless the type of evaluation (continuous or final exam), the approval in this course unit requires a minimum rounded grade of 10, in a scale ranging from 0 to 20.