

Institute of Certified Management Accountants

CMA CURRICULUM AND FORMAT

CONTENT SPECIFICATION OVERVIEW

(Effective January 1, 2015)

The percentages below show the relative weight range given to each topic in each part. The level designations indicate the depth and breadth of topic coverage in each part. A detailed content specification outline can be downloaded from our website in the certification section.

Part 1

Financial Reporting, Planning, Performance, and Control

A. External Financial Reporting Decisions

(15%) (Level C)

Preparation of financial statements: balance sheet, income statement, statement of changes in equity, statement of cash flows; valuation of assets and liabilities; operating and capital leases; impact of equity transactions; revenue recognition; income measurement; major differences between U.S. GAAP and IFRS.

B. Planning, Budgeting and Forecasting

(30%) (Level C)

Strategic planning process; budgeting concepts; annual profit plans and supporting schedules; types of budgets, including activity-based budgeting, project budgeting, flexible budgeting; top-level planning and analysis; and forecasting, including quantitative methods such as regression and learning curve analysis.

C. Performance Management

(20%) (Level C)

Factors to be analyzed for control and performance evaluation including revenues, costs, profits, and investment in assets; variance analysis based on flexible budgets and standard costs; responsibility accounting for revenue, cost, contribution and profit centers; key performance indicators; and balanced scorecard.

D. Cost Management

(20%) (Level C)

Cost concepts, flows and terminology; alternative cost objectives; cost measurement concepts; cost accumulation systems including job order costing, process costing, and activity-based costing; overhead cost allocation; supply chain management and business process performance topics such as lean manufacturing, ERP, theory of constraints, value chain analysis, ABM, continuous improvement and efficient accounting processes.

E. Internal Controls

(15%) (Level C)

Corporate governance; internal control risk; internal control environment, procedures, and standards; responsibility and authority for internal auditing; types of audits; assessing the adequacy of the accounting information system controls; and business continuity planning.

Part 2
Financial Decision Making

A. Financial Statement Analysis

(25%) (Level C)

Calculation and interpretation of financial ratios; evaluate performance utilizing multiple ratios; market value vs. book value; profitability analysis; analytical issues including impact of foreign operations, effects of changing prices and inflation, off-balance sheet financing, and earnings quality.

B. Corporate Finance

(20%) (Level C)

Types of risk; including credit, foreign exchange, interest rate, market, and political risk; capital instruments for long-term financing; initial and secondary public offerings; dividend policy; cost of capital; working capital management; raising capital; managing and financing working capital; mergers and acquisitions; and international finance.

C. Decision Analysis

(20%) (Level C)

Relevant data concepts; cost-volume-profit analysis; marginal analysis; make vs. buy decisions; income tax implications for operational decision analysis; pricing methodologies including market comparables, cost-based and value-based approaches.

D. Risk Management

(10%) (Level C)

Types of risk including business, hazard, financial, operational, strategic, legal compliance and political risk; risk mitigation; risk management; risk analysis; and ERM.

E. Investment Decisions

(15%) (Level C)

Cash flow estimates; discounted cash flow concepts; net present value; internal rate of return, discounted payback; payback; income tax implications for investment decisions; risk analysis; and real options.

F. Professional Ethics

(10%) (Level C)

Ethical considerations for management accounting professionals and for the organization.

A detailed content spec is available from the ICMA or it can be downloaded from on our website www.imanet.org/certification.