

**Bill of Rights**

**For Users of Managerial Cost Information**

**Definition:** Managerial Costing supports decision makers tasked with optimally achieving their organization’s strategic objectives. Decision makers at all levels of an organization should be provided managerial cost information that:

1. Clearly reflects the causal operational relationships of resources, their capacity, and the processes that produce the organization’s outputs.
2. Calculates and reports reliable and actionable information on costs of processes, products, service lines, channels, missions and customers
3. Reflects the economic realities of the decision at hand, unhindered by external regulatory accounting rules.
4. Is consistent with the organization’s creation of long-term sustainable value or the long-term execution of the organization’s mission.
5. Doesn’t lead to argument and debate about its usefulness and accuracy.
6. Is readily available, sufficiently detailed, and logically structured to improve visibility, facilitate analysis, and provide insights.

**Resolution:** Decision making is challenging in all circumstances. Decision makers at all levels of an organization must demand that those providing cost information for their decision making honor these rights that are essential to effectively execute management responsibilities.