



ACCT 242 Cost and Managerial Accounting 3 Credits

SYLLABUS

CATALOG DESCRIPTION

This course deals primarily with internal reporting designed to enhance the ability of management in decision making, planning, and control. The assignment of costs to products or services, budgets, standard costs, variance analysis, break-even analysis, and the study of how costs behave.

Prerequisites: ACCT 202

Semester Offered: Fall

Common Student Learning Outcomes

Upon successful completion of San Juan College programs and degrees, the student will demonstrate competency in...

Broad and Specialized Learning

Students will actively and independently acquire, apply, and adapt skills and knowledge with an awareness of global contexts.

Critical Thinking

Students will think analytically and creatively to explore ideas, make connections, draw conclusions and solve problems.

Cultural and Civic Engagement

Students will act purposefully, reflectively, and ethically in diverse and complex environments.

Effective Communication

Students will exchange ideas and information with clarity in multiple contexts.

Information Literacy

Students will be able to recognize when information is needed and have the ability to locate, evaluate, and use it effectively.

Integrating Technologies

Students will demonstrate fluency in the application and use of technologies in multiple contexts.

GENERAL LEARNING OBJECTIVES:

1. Role of accounting in making Cost and Managerial decisions
2. Terminology and concepts associated with cost accounting
3. Integration of the accounting system with the planning and control system
4. Product costing and cost allocation
5. Budgeting
6. Cost behavior
7. Relevant costs and revenues
8. Economic decision making

LEARNING OUTCOMES:

Related General Learning Objectives and related Common Student Learning Outcomes are shown in parenthesis at the end of each Specific Learning Outcome.

Upon successful completion of the course, the student will be able to ...

1. Describe how managers use accounting information to create value and make decisions in an organization and understand the ethical issues managers face. (1,2) (L,T,C,A)
2. Understand the process of cost allocation and understand how material, labor and overhead costs are added to a product at each state of the production process. (2,3,4) (L,T,I,A)
3. Define basic cost behaviors, identify components of a product's costs and understand the distinction between financial and contribution margin income statements. (6) (L,T)
4. Use cost-volume-profit analysis to analyze decisions and understand the effect of cost structure on decisions. (2,6) (L,T,C)
5. Use differential analysis and understand how to apply it to pricing and production decisions. (6,8)(L,T,C)
6. Understand fixed and variable cost estimates using engineering estimates, account analysis, statistical analysis and evaluate the advantages and disadvantages of these methods. (6,6) (L,T,C,I)
7. Interpret the results of and identify potential problems with regression data. (6) (L,T)
8. Explain how cost allocation is used in a cost management system and how a costing system works. (2,4,7) (L,T,I,C)
9. Understand how overhead cost is allocated to products. (4) (L,T)
10. Explain the operation of a two-stage allocation system for product costing. (4,8) (L,T,C)
11. Assign costs in a job cost system for both a manufacturing and service organization and account for overhead using predetermined rates. (2,4) (L,T)
12. Assign costs to products using weighted-average and FIFO costing and analyze the difference. (4) (L,T)
13. Learn how activity-based costing works, compute product costs using activity-based costing and compare it to traditional department product costing methods. (4,8) (L,T,C)
14. Use activity-based costing methods to assess customer and supplier costs and distinguish between resources used and resourced supplied. (4,8) (L,T,I)
15. Design cost management systems to assign capacity costs. (4,7) (L,T,I,C,A)
16. Allocate service department cost using the direct, step and reciprocal methods and explain why they are allocated. (4) (L,T,C)
17. Allocate joint costs using the net realizable value and physical quantities methods and explain why they are allocated. (4) (L,T,C)
18. Account for by-products. (4) (L,T)
19. Explain the role and describe the basic framework of a management control system. (3) (L,T,C)
20. Explain the relation between organization structure and responsibility centers and understand how managers evaluate performance. (2,3) (L,T,C,A)
21. Develop production and cost budgets and budgeted financial statements. (3,5) (L,T,I)
22. Evaluate divisional accounting income as a performance measure and interpret and use return on investment, residual income and economic value added. (2,7) (L,T)
23. Explain the general transfer pricing rules and understand the underlying basis for them. (2,8) (L,T)
24. Identify the behavioral issues and incentive effects of negotiated transfer prices, cost-based transfer prices, and market-based transfer prices. (8) (L,T)
25. Use budgets for performance evaluation; develop and use flexible budgets; prepare and use a profit variance analysis. (3,5) (L,T)
26. Compute, interpret and use the sales activity variance, variable cost variances and fixed cost variances. (3,5) (L,T)