

## ACCT 212-PRINCIPLES OF ACCOUNTING II 3 CREDITS

### SYLLABUS

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#### CATALOG DESCRIPTION

This course begins with the accounting for corporations, long-term investments and debt, statement of cash flows, and financial statement analysis. This is followed by a study of managerial accounting including cost flows, behavior, allocations and control, including standards and variance analysis, product costing using job order and process systems, and operating and capital budgeting.

Prerequisites: ACCT 211

Semester Offered: Fall, Spring

#### **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.

*Student work from this class may be randomly selected and used anonymously for assessment of course, program, and/or institutional learning outcomes. For more information, please refer to the Dean of the appropriate School.*

#### **Course Learning Outcomes**

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

1. Understand the basic characteristics of corporations and the accounting concepts and procedures and major reporting requirements applicable to the common equity related transactions of corporations.

2. Learn general reasons a business uses notes payable or bonds payable, identification of primary characteristics differentiating debt from equity and the resulting valuation and accounting for debt.
3. Study the investment in securities of businesses and how different types and classes of these investments are accounted for and reported on.
4. Examine how users report and analyze cash inflows and cash outflows with an emphasis on how to prepare and interpret the statement of cash flows.
5. Obtain a more complete understanding of financial ratio calculations and interpretation by organizing the ratios previously studied into logical groupings and integrating them with other analysis techniques.
6. Study the expanding role of managerial accounting by explaining its purpose and describing its major characteristics; discuss concepts and describe how they help managers gather and organize information for making decisions; and, explore the reporting of manufacturing activities.
7. Explore cost accounting systems and the procedures used to determine costs using a job order costing system and how to measure and account for costs in a process operation.
8. Identify managerial reports useful in directing a company's activities and explain responsibility accounting measuring departmental performance, transfer pricing and allocating costs across departments.
9. Study cost behavior in relation to production/sales volume changes and utilize insight obtained to perform various cost-volume-profit calculations, predictions and budgets.
10. Examine budgeting policies, practices and procedures, identifying best operating budget practices and preparing operating budget components.
11. Develop an understanding of how managerial tools such as standard costs and variance analyses are useful for both evaluating and controlling organizations and for the planning of future activities.
12. Explore capital budgeting, contrast to operations budgeting and examine several evaluation techniques.

## SPECIFIC 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. Explain the organization and characteristics of corporations and the classes of stock thereof, and describe the form and content of a complete income statement, statement of retained earnings and the stockholders' equity section of a balance sheet. (1) (BSL,CT,EC,IT)
2. Compute and explain the uses of earnings per share, book value per share, dividend yield and price-earnings ratio. (1) (BSL,CT,EC,IT)
3. Account for and record the issuance, repurchase and resale of stock, cash and stock dividends and stock splits. (1) (BSL,CT,EC,IT)
4. Describe the types and payment patterns of bonds and notes payable and the procedures for issuing them. (2) (BSL,CT,EC)
5. Explain collateral agreements and compare bond financing with stock financing. (2) (BSL,CT,EC,IT)
6. Calculate bond prices, prepare entries to record bond and note issuance and retirement and calculate the interest expense on notes and bonds including amortization of premium and/or discount. (2) (BSL,CT,IT)
7. Distinguish between short-term and long-term investments in debt and equity securities, describe the different classes into which these investments are accounted for, and record transactions in and the earnings of them. (3) (BSL,CT,EC,IT)
8. Explain the purpose and importance of cash flow information, and the format and content of the statement of cash flows. (4) (BSL,CT,EC)
9. Distinguish among operating, investing and financing activities and identify and describe noncash investing and financing activities. (4) (BSL,CT,EC,I)
10. Prepare a properly formatted and classified statement of cash flows using both the direct and indirect methods of reporting activities. (4) (BSL,CT,IT)
11. Identify and explain the building blocks, tools and purpose of financial statement analysis. (5) (L,CT,EC,IT)
12. Summarize and report the results of analysis using horizontal, vertical and ratio techniques. (5) (BSL,CT,EC,IT)
13. Explain/describe the purpose, major characteristics and changing role of managerial accounting. (6) (BSL,CT,EC,IT)
14. Define fraud and the role of ethics in managerial accounting. (6) (BSL,CT,EC,)

15. Define product and period costs, and describe other cost classification techniques and how the resulting classifications affect financial statements. (6) (BSL,CT,EC,IT)
16. Explain manufacturing activities and the flow of manufacturing costs, and prepare statements and schedules for a manufacturing business. (7) (BSL,CT,EC,IT)
17. Describe the cost accounting system and explain the characteristics of manufacturing companies that would cause them to utilize job, process or hybrid types of such system. (7) (BSL,CT,EC,IT)
18. Describe important features of job order manufacturing and explain job cost sheets and their use. (7) (BSL,CT,EC)
19. Explain process operations and compare/contrast them with job order environments. (7) (BSL,CT,EC,IT)
20. Define equivalent units and explain their use and calculation; describe the purpose of and prepare the process cost summary. (7) (BSL,CT,EC,IT)
21. Describe and record the flow of direct material, direct labor and factory overhead costs in both job and process systems, including the disposition of over- or under-applied overhead. (7) (BSL,CT,EC,IT)
22. Explain departmentalization, departmental accounting and responsibility accounting and the role of direct, indirect and controllable cost identification and direct cost assignment and indirect cost allocation. (8) (BSL,CT,EC,IT)
23. Prepare departmentalized and responsibility statements and reports using appropriate two-stage, activity based, joint and other cost allocation techniques. (8) (BSL,CT,IT)
24. Describe different types of cost behavior in relation to production/sales volume and applications of cost-volume-profit analysis including relevant assumptions. (9) (BSL,CT,EC)
25. Compute cost estimates using multiple methods and compute and graph breakeven and profit levels for single and multiple product companies. (9) (BSL,CT,EC,IT)
26. Describe the process of budget administration, and the importance, benefits and process of budget preparation. (10) (BSL,CT,EC)
27. Prepare components of the fixed master budget and link them to the budget process and budgeted statements. (10) (BSL,CT,IT)
28. Prepare flexible budgets using cost-volume-profit data and interpret performance reports derived there from contrasting them with fixed budget performance reports. (11) (BSL,CT,EC,IT)
29. Define standard costs, explaining development and use; calculate and interpret variances; and, record costs and variance disposition when standards are used. (11) (BSL,CT,EC,IT)
30. Explain the importance of capital budgeting and make calculations and evaluate the acceptability of investment opportunities using payback period, accounting rate of return, net present value and internal rate of return techniques. (12) (BSL,CT,EC,IT)
31. Describe importance of determining relevant costs/revenues for short-term decisions and perform evaluations of such decisions identifying and utilizing relevant costs/revenues. (12) (BSL,CT,IT)