JEFFERSON COLLEGE

COURSE SYLLABUS

BUS245

COST ACCOUNTING

3 Credit Hours

Prepared by
Mary E. Baricevic
April 18, 2013
BUS245 Cost Accounting

I. CATALOGUE DESCRIPTION

A. Prerequisite: BUS 241 Managerial Accounting with a grade of "C" or better and Reading Proficiency

B. 3 Credit Hours

C. Cost Accounting continues the study of accounting from the standpoint of management. Emphasis is placed on planning, cost control systems, costing methods, and cost-benefit analyses (S).

II. EXPECTED LEARNING OUTCOMES/CORRESPONDING ASSESSMENT MEASURES

<table>
<thead>
<tr>
<th>Demonstrate an understanding of product and non-product costs, and the effects of these different costs on the financial statements</th>
<th>In-class exercises</th>
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<tbody>
<tr>
<td>Quiz</td>
<td>Midterm exam</td>
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<tr>
<td>Final exam</td>
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<table>
<thead>
<tr>
<th>Demonstrate an understanding of cost behavior and the effects of different types of cost behavior on company profitability</th>
<th>In-class exercises</th>
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<tr>
<th>Conduct cost-volume-profit analyses using the contribution margin formatted income statement</th>
<th>In-class exercises</th>
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<tr>
<th>Apply cost allocation techniques to the allocation of various indirect costs</th>
<th>In-class exercises</th>
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<tr>
<th>Demonstrate an understanding of the budget preparation process and will use budget data in conducting variance analyses</th>
<th>In-class exercises</th>
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<tr>
<th>Apply the time value of money concept in conducting net present value analyses associated with capital investment decisions</th>
<th>In-class exercises</th>
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<td>Quiz</td>
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<thead>
<tr>
<th>Demonstrate an understanding of accounting concepts associated with job-order and process-costing systems</th>
<th>In-class exercises</th>
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<td>Quiz</td>
<td>Final exam</td>
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<table>
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<tr>
<th>Apply various cost accounting concepts to analyze profitability, evaluate performance and make decisions</th>
<th>In-class exercises</th>
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<tr>
<td>Quiz</td>
<td>Final Exam</td>
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III. OUTLINE OF TOPICS

A. The Manager and Management Accounting (Chapter 1)
   1. Cost Accounting and Its Relationship to Managerial and Financial Accounting
   2. Components of Managerial Success in Planning and Control Decisions
   3. The Role of Cost Accounting in an Organization

B. An Introduction to Cost Terms and Purposes (Chapter 2)
   1. Cost Terminology
   2. Direct versus Indirect costs, Variable versus Fixed Costs, and Product versus Non-Product (Period) Costs

C. Cost-Volume-Profit Analysis (Chapter 3)
   1. Methods for Calculating Sales Volume Required to Break Even or to Earn a Target Profit
   2. Methods for Conducting Cost-Volume-Profit Analyses
   3. Income Tax Considerations
   4. Multiple-Product and Multiple-Cost Driver Situations

D. Job Costing (Chapter 4)
   1. Components of Costing Systems
   2. Job-Costing versus Process-Costing Systems
   3. Cost Flow in a Job-Costing System

E. Activity-Based Costing and Activity-Based Management (Chapter 5)
   1. The Role of Activity-Based Costing (ABC) in Determining Costs
   2. Cost Centers and Cost Drivers in an Activity-Based Costing System
   3. Allocation of Product Overhead Using Traditional Costing (i.e., a Single Cost Driver) and Activity-Based Costing

F. Decision Making and Relevant Information (Chapter 11)
   1. Characteristics of Relevant Information
   2. Quantitative Analyses for Special Decisions
   3. Qualitative Considerations for Special Decisions
G. Master Budget and Responsibility Accounting (Chapter 6)
   1. Master budget and Supporting Schedules
   2. Responsibility Centers and Responsibility Accounting

H. Flexible Budgets, Direct-Cost Variances, and Management Control (Chapter 7)
   1. Master (Static) versus Flexible Budget
   2. Static Budget and Static-Budget Variances
   3. Flexible Budget, and Flexible-Budget and Sales-Volume Variances
   4. Price and Efficiency Variances for Direct-Cost Inputs

I. Flexible Budgets, Overhead Cost Variances, and Management Control (Chapter 8)
   1. Variable and Fixed Overhead Costs
   2. Budgeted Variable and Fixed Overhead Rates
   3. Variable Overhead Efficiency and Spending Variances
   4. Fixed Overhead Variances

J. Inventory Costing and Capacity Analysis (Chapter 9)
   1. Income Statements under Absorption Costing and Variable Costing
   2. Denominator-Level Capacity Concepts in Relation to Absorption Costing

K. Process Costing (Chapter 17)
   1. Journal Entries for Process-Costing Systems
   2. Equivalent Units
   3. Weighted-Average and First-In, First-Out (FIFO) Methods of Process Costing

L. Capital Budgeting and Cost Analysis (Chapter 21)
   1. Time Value of Money in Relation to Capital Investment Decisions
   2. The Role of the Net Present Value and Internal-Rate-of-Return Methods in Evaluating Capital Investment Alternatives

IV. METHOD(S) OF INSTRUCTION

A. Lecture

B. Class discussion, in-class exercises

C. Textbook
V. REQUIRED TEXTBOOK(S)


VI. REQUIRED MATERIALS

Work Papers for Demonstration Problems

VII. SUPPLEMENTAL REFERENCES Solution Manual

VIII. METHOD OF EVALUATION

A. Closed-book, closed-notes, in-class, chapter quizzes

B. Closed-book, closed-notes, in-class, midterm exam

C. Closed-book, closed-notes, in-class, final exam

IX. ADA AA STATEMENT

Any student requiring special accommodations should inform the instructor and the Coordinator of Disability Support Services (Library phone 636-481-3169).

X. ACADEMIC HONESTY STATEMENT

All students are responsible for complying with campus policies as stated in the Student Handbook (see College website, http://www.jeffco.edu).

XI. ATTENDANCE STATEMENT

Regular and punctual attendance is expected of all students. Any one of these four options may result in the student being removed from the class and an administrative withdrawal being processed: (1) Student fails to begin class; (2) Student ceases participation for at least two consecutive weeks; (3) Student misses 15 percent or more of the coursework; and/or (4) Student misses 15 percent or more of the course as defined by the instructor. Students earn their financial aid by regularly attending and actively participating in their coursework. If a student does not actively participate, he/she may have to return financial aid funds. Consult the College Catalog or a Student Financial Services representative for more details.

XII. OUTSIDE OF CLASS ACADEMICALLY RELATED ACTIVITIES

The U.S. Department of Education mandates that students be made aware of expectations regarding coursework to be completed outside the classroom. Students are expected to spend substantial time outside of class meetings engaging in
academically related activities such as reading, studying, and completing assignments. Specifically, time spent on academically related activities outside of class combined with time spent in class meetings is expected to be a minimum of 37.5 hours over the duration of the term for each credit hour.