

Course Competency

ACG 2360 Cost Accounting

Course Description

A consideration of the accumulation, interpretation and control of costs by the job order and the process cost systems. Includes the study of break-even analysis, budgeting and other cost control techniques.

Prerequisite: ACG 2011. (3 hr. lecture)

Course Competency	Learning Outcomes
<p>Competency 1:The student will understand the uses of cost accounting data by:</p>	<ol style="list-style-type: none"> 1. Numbers / Data 2. Critical thinking 3. Information Literacy
<ol style="list-style-type: none"> a. Determining product costs and pricing b. Evaluating the planning and control uses of cost accounting data c. Understanding the importance of professional ethics d. Analyzing the relationship between cost accounting to financial and managerial accounting e. Determine the three manufacturing costs: direct materials, direct labor, and factory overhead. f. Differentiate among the various cost accounting systems 	
<p>Competency 2:The student will determine and analyze the cost of materials:</p>	<ol style="list-style-type: none"> 1. Numbers / Data 2. Critical thinking
<ol style="list-style-type: none"> a. Understanding the importance of maintaining physical control of materials b. Calculating the cost of materials issued and related accounting procedures c. Applying Just-In-Time materials control methods 	
<p>Competency 3:The student will determine and analyze the cost of labor by:</p>	<ol style="list-style-type: none"> 1. Numbers / Data

	2. Critical thinking
<ul style="list-style-type: none"> a. Determining the scrap, spoiled goods and defective work and how to account for it b. Differentiating among the various wages plans available for a firm c. Understanding the methods used to control labor costs d. Calculating the labor costs and related employee contribution 	
Competency 4: The student will determine and analyze factory overhead costs by:	<ul style="list-style-type: none"> 1. Critical thinking 2. Numbers / Data 3. Information Literacy
<ul style="list-style-type: none"> a. Identifying the cost behavior patterns involved. b. Analyzing semi-variable factory overhead costs c. Understanding how to budget overhead costs d. Determining the appropriate accounting procedures for the recording of overhead costs e. Allocating service department expenses to production areas f. Applying factory overhead to production g. Determining the appropriate accounting procedures for the recording of actual and applied factory overhead costs 	
Competency 5: The student will be able to apply process cost accounting procedures by:	<ul style="list-style-type: none"> 1. Numbers / Data 2. Critical thinking
<ul style="list-style-type: none"> a. Comparing and contrasting the basic cost systems Determining direct material, direct labor and factory overhead costs under process costing systems b. Calculating Equivalent Units of Production under First in, First out Method c. Analyzing the application of process costing to a multi-departmental factory 	
Competency 6: The student will be able to apply process cost accounting procedures to joint products and by-products by:	<ul style="list-style-type: none"> 1. Numbers / Data

	<ol style="list-style-type: none"> 2. Critical thinking 3. Information Literacy
<ol style="list-style-type: none"> a. Understanding the application of materials in the process b. Determining the units lost in production c. Allocating costs among the joint products or by-products. 	
<p>Competency 7:The student will be able to complete the preparation of a master budget by:</p>	<ol style="list-style-type: none"> 1. Communication 2. Numbers / Data 3. Critical thinking
<ol style="list-style-type: none"> a. Understanding the purpose and need for budgeting in a firm b. Developing the master budget through its component budgets: sales, production, direct materials, direct labor, factory overhead, cost of goods sold, selling and administrative expenses, budgeted income statement and cash budget c. Evaluate budget performance through the use of a flexible budget 	
<p>Competency 8:The student will be able to evaluate performance through the use of standards by:</p>	<ol style="list-style-type: none"> 1. Communication 2. Critical thinking 3. Numbers / Data
<ol style="list-style-type: none"> a. Understanding the difference between the types of standards. b. Determining the standard costs for materials and labor. c. Determining the variances for direct materials and direct labor d. Analyzing the variances and determining necessary production changes. e. Determining the variances for factory overhead under the two-variance and the four-variance methods of analysis. 	
<p>Competency 9:The student will be able to apply job order costing to a service business by:</p>	<ol style="list-style-type: none"> 1. Communication 2. Numbers / Data

	3. Critical thinking
<ul style="list-style-type: none"> a. Determining the cost allocation base and tracing direct costs to the job b. Completing the budgeting process for a service business c. Applying Activity Based Costing to a service firm d. Differentiate the allocations used by Simplified Costing Vs. Activity Based Costing 	
Competency 10: The student will be able to apply cost analysis for management decision making by:	<ul style="list-style-type: none"> 1. Communication 2. Numbers / Data 3. Critical thinking
<ul style="list-style-type: none"> a. Differentiating operating income derived under absorption costing versus variable costing. b. Understanding the merits and limitations of variable costing c. Analyzing segment reporting for profitability analysis under variable costing 	
Competency 11: The student will be able to analyze business decision using Cost-Volume-Profit Analysis by:	<ul style="list-style-type: none"> 1. Numbers / Data 2. Critical thinking
<ul style="list-style-type: none"> a. Understanding the limitations of breakeven analysis b. Determining contribution margin and margin of safety c. Applying break even analysis to the computation changes in costs and prices of the product 	
Competency 12: The student will be able to evaluate business decision using Differential Analysis by:	<ul style="list-style-type: none"> 1. Critical thinking 2. Numbers / Data
<ul style="list-style-type: none"> a. Evaluating the decision to accept or reject a special order b. Evaluating the decision to make or buy a component 	