

Saint Leo University

**ACC 331
Cost Accounting**

Course Description:

A study of relevant costs for managerial decision making. Includes cost accounting fundamentals used in managerial control functions.

Prerequisite:

A grade of C or better in ACC202

Textbooks:

Cost Accounting (myaccountinglab access) (16th ed.). (2017). Pearson College Div.
ISBN: 9780134476384

Learning Outcomes:

Upon successful completion of this course, students will be able to:

1. Explain and give examples of the different definitions of cost – product, period, direct, indirect, opportunity, sunk, committed, fixed, variable, mixed, absorption, throughput
2. Describe and discuss cost accounting using strategic goals, activity-based costing, process and job costing
3. Design a budgeting process as a planning tool for management.
4. Prepare and analyze customer profitability, cost and budget variances.
5. Apply cost-volume analysis to what if scenarios to management decision making.
6. Use and evaluate various capital budgeting techniques, including NPV and IRR.
7. **VALUE OUTCOME:** Students are expected to demonstrate their understanding of the value of integrity faced by those in the accounting profession.

Core Value:

Integrity: The commitment of Saint Leo University to excellence demands that its members live its mission and deliver on its promise. The faculty, staff, and students pledge to be honest, just, and consistent in word and deed.

Evaluation:

Assignment	Percentage
Exams (4)	40%
Assignments (8)	40%
Discussions (8)	20%
Total	100%

Grading Scale:

Grade	Score (%)
A	94-100
A-	90-93
B+	87-89
B	84-86
B-	80-83
C+	77-79
C	74-76
C-	70-73
D+	67-69
D	60-66
F	0-59

Assignments:

Students have an assignment in each module. The assignments are to be completed and submitted in MyAccountingLab.com.

Exams:

There are four exams, one in Module 2 (covering the material in Modules 1 and 2), one in Module 4 (covering the material in Modules 3 and 4), one in Module 6 (covering the material in Modules 5 and 6), and one in Module 8 (covering the material in Modules 7 and 8). Each exam has twenty multiple-choice questions. The student has one hour to complete each exam.

Course Schedule:

Module 1 Management Accounting and an Introduction to Cost Terms and Purposes

Objectives

When you complete this module, you should be able to:

- Distinguish and discuss financial and managerial accounting and their impact on strategic decisions.
- Explain the five-step decision-making process and its role in management accounting.
- Discuss the meaning of professional ethics to management accountants.
- Define and illustrate cost objects of an organization.
- Discuss direct, indirect, fixed, and variable costs.
- Explain why product costs are computed in different ways for different purposes.

Assignments

Items to be Completed:	Due No Later Than:
Read assigned material	
Post introduction to the class	Thursday 11:59 PM EST/EDT
Post initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Assignment M1 in MyAccountingLab	Sunday 11:59 PM EST/EDT

Module 2 Cost-Volume-Post Analysis

Objectives

When you complete this module, you should be able to:

- Explain the features of cost-volume-profit (CVP) analysis.
- Determine the breakeven point and output level needed to achieve a target operating income.
- Explain how managers use CVP analysis in decision-making.
- Explain how sensitivity analysis helps managers cope with uncertainty.
- Use CVP analysis to plan variable and fixed costs.

Assignments

Items to be Completed:	Due No Later Than:
Read assigned material	
Post initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Assignment M2 in MyAccountingLab	Sunday 11:59 PM EST/EDT
Complete Exam 1	Sunday 11:59 PM EST/EDT

Module 3**Job and Process Costing****Objectives**

When you complete this module, you should be able to:

- Describe the building-block concepts of costing systems.
- Distinguish job costing from process costing.
- Describe the approaches to evaluating and implementing job-costing systems.
- Outline the seven-step approach to normal costing.
- Understand the basic concepts of process-costing and compute average unit costs.
- Describe the five steps in process costing and calculate equivalent units.
- Use the weighted-average method and first-in, first-out (FIFO) method of process costing.

Assignments

Items to be Completed:	Due No Later Than:
Read assigned material	
Post initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Assignment M3 in MyAccountingLab	Sunday 11:59 PM EST/EDT

Module 4**Activity-Based Costing and Activity-Based Management****Objectives**

When you complete this module, you should be able to:

- Explain how broad averaging can lead to undercosting and overcosting of products or services.
- Distinguish between simple and activity-based costing systems.
- Cost products or services using activity-based costing.
- Evaluate the costs and benefits of implementing activity-based costing systems.
- Explain how activity-based costing systems are used in activity-based management.

Assignments

Items to be Completed:	Due No Later Than:
Read assigned materials	
Post initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Assignment M4 in MyAccountingLab	Sunday 11:59 PM EST/EDT
Complete Exam 2	Sunday 11:59 PM EST/EDT

Module 5**Master Budget and Responsibility Accounting****Objectives**

When you complete this module, you should be able to:

- Describe the master budget and explain its benefits, including advantages.
- Prepare the operating budgets and its supporting schedules.
- Use computer-based financial planning models for sensitivity analysis.
- Describe responsibility centers and responsibility accounting.

Assignments

Items to be Completed:	Due No Later Than:
Read assigned material	
Post initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Assignment M5 in MyAccountingLab	Sunday 11:59 PM EST/EDT

Module 6**Flexible Budgets****Objectives**

When you complete this module, you should be able to:

- Describe static budgets and examine the concept of flexible budgets.
- Calculate flexible budget variances and sales volume variances
- Compute price variances and efficiency variances for direct cost categories.
- Explain the similarities and differences in planning variable and fixed overhead costs and cost rates.
- Compute variable and fixed overhead variances.

Assignments

Items to be Completed:	Due No Later Than:
Read assigned material	
Post initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Assignment M6 in MyAccountingLab	Sunday 11:59 PM EST/EDT
Complete Exam 3	Sunday 11:59 PM EST/EDT

Module 7**Cost Allocation, Customer-Profitability Analysis, and Sales-Variance Analysis****Objectives**

When you complete this module, you should be able to:

- Identify and discuss cost allocation purposes and decisions.
- Discuss decisions faced when collecting costs in indirect-cost pools.
- Discuss why a company's revenues and costs can differ across customers.
- Identify the importance of customer-profitability profiles.
- Discuss sales variances.

Assignments

Items to be Completed:	Due No Later Than:
Read assigned material	
Post initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Assignment M7 in MyAccountingLab	Sunday 11:59 PM EST/EDT

Module 8**Capital Budgeting and Cost Analysis****Objectives**

When you complete this module, you should be able to:

- Discuss the stages of capital budgeting for a project.
- Use and evaluate the discounted cash flow and payback methods.
- Use and evaluate the accrual accounting rate-of-return method.
- Discuss capital budgeting decisions and management performance.

Assignments

Items to be Completed:	Due No Later Than:
Read assigned material	
Post initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Assignment M8 in MyAccountingLab	Sunday 11:59 PM EST/EDT
Complete Exam 4	Sunday 11:59 PM EST/EDT