

## OUTCOMES BASED LEARNING MATRIX

**Course: ACCT221 – Cost Accounting**

**Department: Business Administration**

This course provides an introduction to basic cost theory and practice. The following topics are covered: surveys cost systems and analytical uses of cost data by management. Job order process, operation cost systems, and standard cost approaches to such systems are completed. Cost/volume/profit relationships, cost-behavior patterns, and comprehensive and flexible budgeting are also introduced. Cost applications cover manufacturing as well as merchandising and service applications for both profit and not-for-profit entities. Prerequisite: ACCT107 Principles of Managerial Accounting.

Core Competencies for outcomes activities and assessment tools: Critical and Creative Thinking (CCT); Information Literacy (IL); Oral Communication (OC); Quantitative Literacy (QL); Written Communication (WC); Civic Engagement (CE); Global Learning (GL); Integrative Learning (IG).

<b>Course Outcomes</b>	<b>Outcome activities</b>	<b>Assessment tools</b>
Understand Cost terms, concepts, systems design, job-order costing, and process costing, and identify the differences and similarities between financial accounting and management accounting and those of merchandising company.	Explain how to apply manufacturing through the use of an accounting system for material labor and factory overhead, and how it is interrelated with the general ledger. (WC) Describe the purposes for which the manager needs accounting information. (WC)	Reading and listening skills. Describe the work done by management in organization. (WC) Define and explain the key terms listed in the chapter objectives. (WC) Assessment of student's comprehension on the terms and concepts. (WC)
Understand and determine cost behavior and general cost classifications	Explain how to distinguish between product costs and period costs and give examples of each. (WC) Explain the flow of direct materials cost, direct labor cost, and manufacturing overhead. (WC)	Prepare a schedule of costs of goods manufactured in good form. (WC) (Appendix problem) Properly classify costs associated with idle time, overtime, and labor fringe benefits in an organization (QL)
Understand Systems Design and Record cost allocations through the use of job order cost system.	Explain how to distinguish between process costing and job order costing, and identify companies that would use each cost method. (WC, CCT) Also explain why multiple overhead rates are needed in many organizations. (WC)	Compute predetermined overhead rates, and explain why estimated overhead costs (rather than actual overhead costs) are used in the process costing. (QL) Prepare journal entries to record costs. (QL)

<p>Understand variable costing, standard costs and JIT performance measures, budget and overhead analysis</p>	<p>Lecture and enumerate the major similarities and differences between variable costing, job-order and process costing. (CCT) Articulate the JIT philosophy and identify the ideas underlying this philosophy Explain how to prepare a quantity schedule, using FIFO, weighted-average inventory methods. (WC, CCT)</p>	<p>Work on solving problems to prepare a cost reconciliation, and compute the total and unit costs for a period by FIFO method. (QL) Homework assignment Class examination. (CCT)</p>
<p>Determine and analyze standard variance cost system as they relate to direct material, direct labor, and factory overhead and activity-based costing</p>	<p>Lecture and state the conditions under which operating costing is useful to managers. (WC) Sample analysis on mixed cost by accounting methods and enumerate the strengths and weaknesses of each of the analytical approaches. (CCT)</p>	<p>Do Appendix problems to compute the cost of a unit of product using activity-based costing. Record the flow of cost in an activity-based costing system. (QL) Homework assignment Class examination (WC, CCT, QL)</p>
<p>Understand cost system such as JIT, non-manufacturing cost and discretionary costs often referred to as <i>managed fixed costs</i></p>	<p>Explain how JIT can reduce and eliminate the difference in unit costs and how JIT relates to products and services. (CCT, WC)</p>	<p>Examination questions In-class and example assignment problems. (QL) Computer session using Excel Spreadsheet applications (QL, IL)</p>

Discuss how to use relevant costs and understand their effect on decision-making	Explain why effective application of relevant costs can be a good tool for management and decision-making. (CCT) Describe the effect of changes in production of the net income reported under both variable and absorption costing. State rule for distinguishing between relevant and irrelevant costs in a decision-making situation (WC, CCT)	Prepare income statements using both variable and absorption costing, and reconcile the two net income figures. Quiz and class examination (WC, QL)
Discuss how cost accounting data are used to evaluate the performance of divisions' managers.	Explain why division managers should exercise caution in relevant cost analysis when activity-based costing is being used. (CCT, WC)	Make appropriate computations to determine the most profitability of scarce resources in an organization. Solve problems using Excel spreadsheets Audit homework assignment (CCT, WC)
Define budgeting and explain the difference between planning and control.	Lecture on how to use the flexible budget to prepare a variable overhead performance report containing both a spending and an efficient variance. (WC, CCT)	Solve Exercise problems to compute and properly interpret the fixed overhead budget and volume variances. Class examination Quiz/based on budget preparation (QL, IL)