



# BROWARD COLLEGE COURSE OUTLINE

**LAST REVIEW: 2008-2009**

**NEXT REVIEW: 2013-2014**

**STATUS: A**

**COURSE TITLE: Cost Accounting**

**COMMON COURSE NUMBER: ACG 2360**

**CREDIT HOURS: 3**

**CONTACT HOUR BREAKDOWN**

*(per 16 week term)*

**CLOCK HOURS:**

*(Voc. Course ONLY)*

Lecture: **48**

Lab:

Clinic:

Other:

**PREREQUISITE(S): ACG 2071**

**COREQUISITE(S): None**

**PRE/COREQUISITE(S): None**

**COURSE DESCRIPTION** *(750 characters, maximum):*

A study of the relationship of cost accounting to the control and decision-making functions of management. A review of accounting for costs precedes a detailed consideration of product costing for both job order and process cost systems. Advisement note: Students achieving less than a grade of C in ACG 2071 may experience academic difficulty in this course.

General Education Requirements – Associate of Arts Degree (AA), meets Area(s): Area  
General Education Requirements – Associate in Science Degree (AS), meets Area(s): Area  
General Education Requirements – Associate in Applied Science Degree (AAS), meets Area(s): Area

## **UNIT TITLES**

1. Introduction to Cost Accounting
2. Accounting for Materials
3. Accounting for Labor
4. Accounting for Factory Overhead
5. Job Order Cost Accounting–Application and Principles
6. Process Cost Accounting–General Procedures
7. Process Cost Accounting–Additional Procedures
8. Standard Cost Accounting–Materials and Labor
9. Standard Cost Accounting–Factory Overhead
10. Cost Analysis for Management Decision-Making

**EVALUATION:**

Please provide a brief description (250 characters maximum) that details how students will be evaluated on the course outcomes.

Evaluation may include but is not limited to the following:

Exams, Quizzes, Presentations, Portfolios, Discussions, Class Participation, Attendance, Projects, Co-ops, Practicum, Internships, Externships, and Research Reports.

*\*\*\* Complete the following only if course is seeking general education status \*\*\**

**GENERAL EDUCATION Competencies and Skills\*:**

Please highlight in green font all Competencies/Skills from the list below that apply to this course. In the box to the right of the Competency/Skill, enter all specific learning outcome numbers (i.e. 1.1, 2.7, 5.12) that apply.

1. Read with critical comprehension	
2. Speak and listen effectively	
3. Write clearly and coherently	
4. Think creatively, logically, critically, and reflectively (analyze, synthesize, apply, and evaluate)	
5. Demonstrate and apply literacy in its various forms: (highlight in green ALL that apply) ( 1. technological, 2. informational, 3. mathematical, 4. scientific, 5. cultural, 6. historical, 7. aesthetic and/or 8. environmental )	
6. Apply problem solving techniques to real-world experiences	
7. Apply methods of scientific inquiry	
8. Demonstrate an understanding of the physical and biological environment and how it is impacted by human beings	
9. Demonstrate an understanding of and appreciation for human diversities and commonalities	
10. Collaborate with others to achieve common goals.	
11. Research, synthesize and produce original work	
12. Practice ethical behavior	
13. Demonstrate self-direction and self motivation	
14. Assume responsibility for and understand the impact of personal behaviors on self and society	
15. Contribute to the welfare of the community	

\* General Education Competencies and Skills endorsed by '05-'06 General Education Task Force

## **UNITS**

### **Unit 1- Introduction to Cost Accounting**

#### **General Outcome:**

- 1.0** The students should be able to recognize the elements of cost, explain how costs are accumulated, and describe costs flow throughout the production process

#### **Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 1.1 Explain the uses of cost accounting data.
- 1.2 Differentiate between Cost Accounting and Financial Accounting.
- 1.3 Identify and explain the elements of manufacturing cost:
  - 1.3.1 Direct materials
  - 1.3.2 Direct labor
  - 1.3.3 Factory overhead
- 1.4 Describe the various production processes and the flow of manufacturing cost through these processes.
- 1.5 Define Standard Cost.

**Common Course Number: ACG 2036**

**Unit 2 - Accounting for Materials**

**General Outcome:**

- 2.0** The students should be able to explain material control procedures and account for materials issued to the production process.

**Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 2.1 Describe the methods by which materials are physically controlled.
- 2.2 Explain how the investment in inventories is controlled.
- 2.3 Identify and explain material control procedures.
- 2.4 Explain the procedures used in accounting for materials.
- 2.5 Explain the accounting procedures used to account for scrap, spoiled goods, and defective work.

**Unit 3 - Accounting for Labor**

**General Outcome:**

- 3.0** The students should be able to control and account for labor cost in a manufacturing environment.

**Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 3.1 Distinguish between direct and indirect labor cost.
- 3.2 Describe the various types of wage plans used in a manufacturing environment.
- 3.3 Describe how payroll is calculated under the various types of wage plans.
- 3.4 Identify the procedures applied in accounting for labor cost.
- 3.5 Explain how payroll taxes are calculated and reported.

**Common Course Number: ACG 2036**

**Unit 4 - Accounting for Factory Overhead**

**General Outcome:**

- 4.0** The students should be able to budget factory overhead cost, account for the actual factory overhead cost, and discuss budget and volume variances.

**Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 4.1 Identify cost behavior patterns.
- 4.2 Explain how factory overhead costs are budgeted.
- 4.3 Account for the actual factory overhead cost incurred.
- 4.4 Calculate factory overhead rates and apply the factory overhead to production using these rates.
- 4.5 Differentiate between applied and actual overhead.
- 4.6 Calculate the budget (spending) and volume variances

**Common Course Number: ACG 2036**

**Unit 5 - Job Order Cost Accounting–Application of Principles**

**General Outcome:**

- 5.0** The students should be able to apply cost accounting principles and procedures to a job order cost system.:

**Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 5.1 Apply the principles and procedures involved in accounting for material, labor, and factory overhead to a job order cost system in a manufacturing environment.
- 5.2 Explain how manufacturing costs are recorded and summarized in a job order cost system.
- 5.3 Prepare the financial statements for a manufacturing concern.

**Common Course Number: ACG 2036**

**Unit 6 - Process Cost Accounting—General Procedures**

**General Outcome:**

- 6.0** The students should be able to describe general procedures applicable to process cost accounting.

**Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 6.1 Compare job order cost accounting with process cost accounting.
- 6.2 Determine the value of work in process inventories.
- 6.3 Assign cost to inventories using the ~~average cost~~ **weighted average** method.
- 6.4 Explain how equivalent production is calculated.
- 6.5 Calculate unit cost in a process cost system.

**Common Course Number: ACG 2036**

**Unit 7 - Process Cost Accounting–Additional Procedures**

**General Outcome:**

- 7.0** The students should be able to demonstrate the procedures used in process cost accounting under the first-in/first-out method of assigning cost to inventories.

**Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 7.1 Determine equivalent production when materials, labor, and factory overhead are not uniformly applied.
- 7.2 Account for units lost or gained in the production process.
- 7.3 Demonstrate the first-in/first-out method of assigning cost to inventories.
- 7.4 Define joint cost and demonstrate the procedures used in apportioning them to joint products.
- 7.5 Distinguish between joint products and by-products.

**Common Course Number: ACG 2036**

**Unit 8 - Standard Cost Accounting—Materials and Labor**

**General Outcome:**

- 8.0** The students should be able to discuss the purposes of standard cost accounting, detail how standard costs are used for material and labor, and analyze material and labor variances.

**Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 8.1 Discuss the purposes of standard cost accounting.
- 8.2 Explain the various procedures used in determining standard cost.
- 8.3 Develop procedures for recording standard cost.
- 8.4 Determine and analyze material and labor variances.
- 8.5 Calculate mix and yield variances for labor and materials.

**Unit 9 - Standard Cost Accounting–Factory Overhead**

**General Outcome:**

- 9.0** The students should be able to apply the two-variance method and the three-variance method of calculating and analyzing factory overhead.

**Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 9.1 Calculate **variable and fixed** factory overhead variances ~~by the two and the three variance method of analyzing factory overhead.~~
- 9.2 ~~Define all the factory overhead variances determined from the two and three variance methods.~~ **Discuss how overhead variance information is analyzed and used.**
- 9.3 Determine the amounts of factory overhead to be applied when levels of production are different.
- 9.4 Discuss the procedures applied when developing a factory overhead budget.
- 9.5 Compare actual results with the budgeted figures.

**Common Course Number: ACG 2036**

**Unit 10 - Cost Analysis for Management Decision Making**

**General Outcome:**

**10.0** The students should be able to recognize and recount the procedures of cost analysis that are applied in the management decision-making process.

**Specific Measurable Learning Outcomes:**

**Upon successful completion of this unit, the student shall be able to:**

- 10.1 Distinguish between direct costing and absorption costing.
- 10.2 Determine segment reporting for profitability analysis.
- 10.3 Describe the uses of cost-volume-profit analysis.
- 10.4 Apply differential cost studies to make/buy and other decisions.
- 10.5 Calculate and control distribution costs.