

# Common Course Outline

ACCT 225

Cost Accounting

3 Semester Hours

## The Community College of Baltimore County

### Description

#### **Cost Accounting**

Describes the nature and purpose of cost accounting in relation to industrial situations' highlights common practices of job order cost accounting, processes, standard and direct costing, preparation of cost statements, analysis of cost information and project planning and control.

3 credits: 3 lecture hours per week. *Prerequisite: ACCT 102*

### Overall Course Objectives

Upon completion of this course the student will be able to:

1. Describe the role of managerial and cost accounting in the business environment;
2. Explain and compute variable, fixed, average, total produce, and period costs;
3. Compute cost-volume-profit relationships, apply what-if scenarios, and explain the results;
4. Compute equivalent units of production and explain the effects on the balance sheet and income statement;
5. Apply factory overhead to production;
6. Apply accounting procedures for job or process costing;
7. Prepare a master budget and distinguish its various components;
8. Explain the theory of responsibility accounting;
9. Explain and prepare flexible budgets;
10. Compute and journalize material, labor, and overhead variances. Distinguish their effects on the balance sheet and income statement;
11. Analyze variances using standard, normal, and actual costs;
12. Compare variable and full absorption costing;
13. Estimate cost functions (fixed, variable, mixed);
14. Select a proper allocation base and allocate department and common costs;
15. Allocate costs to joint products and byproducts.

### Major Topics

- I. Accountant's role
- II. Introduction to cost accounting
- III. Cost-volume-profit analysis
- IV. Budgeting
- V. Flexible budgeting and variances
- VI. Relevant information
- VII. Joint products
- VIII. Job costing
- IX. Activity based costing
- X. Process cost
- XI. Just-in-time and back flush accounting
- XII. Capital budgeting

## **Course Requirements**

1. Through a variety of learning experiences including lecture, class discussion, audio-visual material, and the World Wide Web, the students will, independently and collaboratively, apply cost accounting concepts and procedures.
2. All students will be expected to participate in at least one oral presentation during the Course. (This could be as simple as a demonstration of a homework problem or as elaborate as a formal presentation of a project.)
3. All students will be expected to participate in at least one collaborative project during the Course.
4. All students will prepare at least one exercise that requires the collection and analysis of data through the Internet.

**Grading/exams:** Grading procedures will be determined by the individual faculty member, but will include the following:

1. 3 examinations that include practical applications. Two of the exams must be proctored in class. One of the exams will include an analytical essay.
2. 4 graded assignments that provide appropriate feedback of the student's mastery of applications and concepts.

**Writing:** Evaluation of student performance will include some formal and/or informal writing assignments that contribute to the mastery of writing within the discipline of accounting. The individual faculty member will determine specific writing assignments and will include the following:

1. 2 written assignments that demonstrate one or more of the following abilities as appropriate to the Course content: apply procedures, explain concepts, analyze financial data, resolve an ethical dilemma, summarize current business events.

## **Other Course Information**

1. Regular attendance and participation in class are requirements for this course.
2. Students will be expected to have regular access to a required text and such additional learning material as an instructor may assign.
3. The instructor, at his/her discretion, may arrange for guest lecturers, audio/video presentations, and/or attention to current events as a part of the Course content.
4. The instructor will be available to assist students through regular office hours, telephone, and in some cases voice mail and Internet email.
5. Individual faculty members may include additional course objectives, major topics, and other course requirements to the minimum expectations stated in the Common Course Outline.
6. The Community College of Baltimore County is committed to providing a high-quality learning experience that results in a growth in knowledge, attitudes, and skills necessary to function successfully as a transfer student, in a career, and as a citizen. To accomplish this goal, we maintain high academic standards and expect students to accept responsibility for their individual growth by attending class, completing all homework and other assignments, participating in class activities, and preparing for tests.
7. We take seriously our responsibility to maintain high-quality programs and will periodically ask you to participate in assessment activities to determine whether our students are attaining the knowledge, attitudes, and skills appropriate to various courses and programs. The assessment activities may take many different forms such as surveys, standardized or faculty-developed tests, discussion groups, or portfolio evaluations. We ask that you take these activities seriously so that we can obtain valid data to use for the continuous improvement of CCBC's courses and programs.