South Central College

ACCT 2862 Cost Accounting II

Course Outcome Summary

Course Information

Description
This course is a continuation of Cost Accounting I, ACCT2861. This course covers break-even analysis, cost centers, differential analysis, transfer pricing, product pricing, capital planning, decision making under uncertainty, and activity based costing.

Total Credits 3
Total Hours 48

Types of Instruction

Instruction Type Credits/Hours
Classroom Presentation

Pre/Corequisites

ACCT2861 (Cost Accounting I) or an equivalent as deemed by the instructor.

Institutional Core Competencies

Critical and Creative Thinking - Students will be able to demonstrate purposeful thinking with the goal of using a creative process for developing and building upon ideas and/or the goal of using a critical process for the analyzing and evaluating of ideas.

Course Competencies

1. Identify basic features of JIT manufacturing
   Learning Objectives
   Define JIT manufacturing
   Describe JIT inventory management
   Describe the effect of JIT on cost traceability and product costing

2. Describe activity-based financial performance
   Learning Objectives
   Define activity based costing
   Describe an activity based costing system
   Compare activity based costing to functional based costing
   Explain an ABC database
   Discuss the implementation issues associated with an activity based management system
Compare financial based versus activity based responsibility accounting
Contrast activity based and strategic based responsibility accounting systems

3. **Describe how an organization can achieve strategic alignment**
   Learning Objectives
   Discuss the basic features of the Balanced Scorecard
   Explain the link between the Balanced Scorecard, measures, and strategy
   Define Balanced Scorecard
   Define strategic decision making
   List the components of strategic positioning
   Define strategic cost management

4. **Apply cost-volume-profit analysis to a company**
   Learning Objectives
   Describe cost based pricing
   Define cost-volume-profit analysis
   Analyze break-even analysis
   Analyze contribution margin
   Illustrate cost-volume-profit analysis
   Illustrate cost-volume-profit analysis using the graphical approach
   Describe sales mix considerations
   Describe special cost-volume-profit relationships

5. **Apply tactical decision-making concepts**
   Learning Objectives
   Describe the tactical decision making process
   Analyze make-or-buy decisions
   Analyze sell or process further decisions

6. **Adapt pricing and profitability analysis**
   Learning Objectives
   Describe target costing and pricing
   Illustrate value chain analysis
   Illustrate the absorption costing approach to measuring profit
   Illustrate the variable costing approach to measuring profit
   Compute sales price and price volume variances
   Describe absorption and variable costing
   Illustrate absorption and variable costing uses
   Define product life cycle
   Explain the stages of a product life cycle
   Describe life cycle cost management
   Describe product pricing economic theory
   Analyze various product pricing techniques

7. **Apply capital investment analysis**
   Learning Objectives
   Describe capital investment analysis
   Interpret simple capital investment and analysis techniques
   Interpret present value capital investment analysis techniques
   Describe other capital investment analysis complications and issues
   Compute capital investment analysis and the income tax effect

8. **Compare inventory management techniques**
   Learning Objectives
   Describe inventory control methods
   Describe the theory of constraints
   Define backflushing of costs
   Illustrate backflushing of costs
   Define process value analysis
SCC Accessibility Statement

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