



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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