



BAKER COLLEGE
STUDENT LEARNING OUTCOMES

ACC1020 Principles of Accounting II
3 Semester Credit Hours

Student Learning Outcomes and Enabling Objectives

1. Obtain a basic understanding of managerial accounting concepts
 - a. Describe the differences between Financial Accounting and Managerial Accounting
 - b. Classify cost on the basis of their behavior, traceability, controllability, relevance, and function
 - c. Compute cost of goods manufactured for a manufacturing company and cost of goods sold for merchandising and manufacturing companies
2. Demonstrate an understanding of product costing, cost behavior, cost control, and variable costing for management decisions.
 - a. Describe job order costing, process costing, and activity-based costing
 - b. Describe and illustrate job order costing for a manufacturing business.
 - c. Describe job order costing for service businesses.
 - d. Describe the use of job order costing information for decision making.
 - e. Journalize entries for transactions using process costing.
 - f. Describe and illustrate the analysis of unit cost changes between periods.
 - g. Describe and illustrate the use of a cost of production report in evaluating a company's performance.
 - h. Develop an understanding of the role of activity-based costing and management in decision making.
 - i. Describe three methods used for allocating factory overhead costs to products.
 - j. Use a single plantwide factory overhead rate for product costing.
 - k. Use multiple production department factory overhead rates for product costing.
 - l. Use activity-based costing for product costing.
 - m. Use activity-based costing to allocate selling and administrative expenses to products.
 - n. Use activity-based costing in a service business.
3. Describe and illustrate the use of support department and joint cost allocations and CVP Analysis
 - a. Describe support departments and support department costs.
 - b. Describe the allocation of support department costs using a single plantwide rate, multiple department rates, and activity-based costing.

- c. Allocate support department costs to production departments using the direct method and the sequential method.
 - d. Describe joint products and joint costs.
 - e. Illustrate cost behavior and cost-volume-profit analysis and variable costing
 - f. Classify costs as variable costs, fixed costs, or mixed costs.
 - g. Compute the contribution margin, the contribution margin ratio, and the unit contribution margin.
 - h. Determine the break-even point and sales necessary to achieve a target profit.
 - i. Using a cost-volume-profit chart and a profit-volume chart, determine the break-even point and sales necessary to achieve a target profit.
4. Prepare an operating budget, identify its major components, and explain the interrelationships among its various components
 - a. Prepare a master budget and demonstrate an understanding of the relationship between the components.
 - b. Illustrate the relationship b/n sales budget, production budget, direct materials purchase budget, direct labor budget, overhead budget, ending finished goods Inventory budget, and cost of goods sold budget.
 - c. Demonstrate the use of standard costs in flexible budgeting.
5. Explain Variable Costing and Management Analysis
 - a. Describe and illustrate reporting operating income under absorption and variable costing.
 - b. Describe and illustrate the effects of absorption and variable costing on analyzing operating income.
 - c. Describe management's use of absorption and variable costing.
 - d. Use variable costing for analyzing market segments, including product, territories, and salespersons segments.
6. Describe and illustrate the recording and reporting of standards and variances.
 - a. Describe the types of standards and how they are established.
 - b. Describe and illustrate how standards are used in budgeting.
 - c. Compute and interpret direct materials and direct labor variances.
 - d. Compute and interpret factory overhead controllable and volume variances.
7. Explain the methods of performance evaluation, Corporate Responsibility and the Balanced Scorecard.
 - a. Illustrate the balanced scorecard, cycle time and cycle efficiency.
 - b. Describe the use and impact of strategy maps, measure maps, strategic learning, scorecard cascading, and cognitive biases.
 - c. Describe corporate social responsibility (CSR), including methods of measuring and encouraging social responsibility using the balanced scorecard.
 - d. Describe controllable and uncontrollable costs.
 - e. Illustrate responsibility accounting systems.
 - f. Illustrate financial and non-financial performance evaluation measures.
8. Describe the nature and importance of capital investment analysis

- a. Use appropriate performance reporting information to make operational decisions.
 - b. Illustrate financial performance measures such as return on investment, residual income, profit margin, and investment turnover.
 - c. Compute payback period, net present value internal rate of return.
9. Prepare and interpret cash flow statements.
- a. Describe the cash flow activities reported on the statement of cash flows.
 - b. Prepare the “Cash flows from (used for) operating activities” section of the statement of cash flows using the indirect method.
 - c. Prepare the “Cash flows from (used for) investing activities” section of the statement of cash flows.
 - d. Prepare the “Cash flows from (used for) financing activities” section of the statement of cash flows.
 - e. Prepare a statement of cash flows.
 - f. Describe and illustrate the use of free cash flow in evaluating a company’s cash flow.
10. Perform Financial statement Analysis for decision making
- a. Explain the use of horizontal and vertical analysis.
 - b. Examine ratio and trend analysis methods.
 - c. Assess a company’s liquidity position.
 - d. Assess a company’s solvency position.
 - e. Assess the effectiveness of a company’s management and operations.
 - f. Assess a company’s profitability position.

Big Ideas and Essential Questions

Big Ideas

- Managerial Concepts and Presentation
- Conceptual Framework in Management Accounting
- Measurement and Decision Making

Essential Questions

1. How does managerial accounting financial statements differ in presentation of data?
2. What is the conceptual framework of management accounting and functions?
3. What is the main objective and purpose of management accounting?
4. How do management accounting measurement techniques enhance the process of decision making?

These SLOs are approved for experiential credit. In order to sit for the CPA exam, you must have transcript credit from an actual course.

Effective: Spring 2023