



# ACCOUNTING PRINCIPLES II

## COURSE SYLLABUS

3-0-3.0

Date: 11/28/11

**COURSE NUMBER:** ACC 102

**PREREQUISITE(S):** ACC 101 with a minimum grade of "C."

**CO-REQUISITE(S):** None

**COURSE DESCRIPTIONS**

This course emphasizes managerial accounting theory and practice in basic accounting and procedures for cost accounting, budgeting, cost-volume analysis and capital investment analysis. Additional financial topics covered will include performance management and evaluation, decision analysis, and target costing.

**TEXTBOOK(S):** Warren, Reeve, Duchac. *Accounting*, 24<sup>th</sup> Edition. Mason, OH: South-Western Cengage Learning, 2012.  
ISBN: 1111984425

**REFERENCE(S):** None

**OTHER REQUIRED MATERIALS, TOOLS, AND EQUIPMENT:** Computer with Internet access, Internet Explorer 5.0 or higher or other current browser, Java, word processing software (must be able to save Word format), and anti-virus software.

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**METHOD OF INSTRUCTION:** This course will be taught via the Internet using online lecture notes, discussion board, and electronic messaging.

<b><u>GRADING SYSTEM:</u></b>	90	-	100	=	A
	80	-	89	=	B
	70	-	79	=	C
	60	-	69	=	D
	Below	-	60	=	F

The standard mathematical procedure of rounding will be applied to arrive at a whole number percentage in final grade calculation.

<b><u>GRADE</u></b>	Unit Tests	=	60%
<b><u>CALCULATION</u></b>	Daily work, Class, Project, etc.	=	20%
<b><u>METHOD:</u></b>	Final Exam	=	20%
		=	<u>100%</u>

**CONFIDENTIALITY:** All students' e-mail addresses may be available to other students in the class. Although some assignments in an online course may encourage or require peer communication, the instructor will make every effort to protect the confidentiality of any personal communication (for example, grades). However, you should recognize that e-mail and other electronic media are not secure; there is no guarantee of the privacy of your e-mail or other personal information.

**APPROPRIATE ONLINE BEHAVIOR:** The use of Spartanburg Community College's website, e-mail service or course management software for creation and/or distribution of material not pertaining to course participation is prohibited and is grounds for dismissal according to College policy under "disruptive behavior." Such actions, include, but are not limited to:

- Inappropriate use of email and discussion boards for:
  - ✓ Harassment
  - ✓ Unlawful solicitation
  - ✓ "Spamming"
  - ✓ "Flaming"
- Use of online editing tools within the course management software to:
  - ✓ Create offensive material
  - ✓ Link to inappropriate materials

**ATTENDANCE  
POLICY:**

An electronic e-mail is required from each student to the instructor by the end of the drop/add period. At this time the Instructor will drop the student from the course if it is not received.

Instructors maintain attendance records. However, it is the student's responsibility to withdraw from a course. A student who stops attending the online class and fails to initiate a withdrawal will remain on the class roster. *With this in mind, for every assignment, test or exam not completed while still enrolled in the course the student will receive a grade of zero and the final course grade will be calculated accordingly.*

Withdrawal Policy: During the first 75% of the course, a student may initiate withdrawal and receive a grade of W. A student cannot initiate a withdrawal during the last 25% of the course. Extenuating circumstances require documentation and approval by the appropriate department head and academic dean.

**ACADEMIC  
CONDUCT:**

ACADEMIC DISHONESTY: Students are expected to uphold the integrity of the College's standard of conduct, specifically in regards to academic honesty. All forms of academic dishonesty including, but not limited to, cheating on assignments/tests, plagiarism, collusion, and falsification of information will call for disciplinary action. Disciplinary action imposed may include one or more of the following: written reprimand, loss of credit for assignment/test, termination from course, and probation, suspension, or expulsion from the College. For further explanation of this and other conduct codes, please refer to the Student Handbook.

**CLASS/LAB  
PROCEDURES:**

A schedule of all course material, tests and assignments have been attached. Under extenuating circumstances students will be allowed to make up missed work only if prior arrangements have been made. Make up work must be completed within five class days of the original due date. No makeup work will be allowed for extra credit assignments or the final exam. Work will **NOT** be accepted late. Missed tests will result in a zero (0). The final exam may replace one missed test.

**The Learning Center**, located in the rooms E-2 & E-5 of the East Building, provides computers for your use. Check the website <http://www.sccsc.edu/resources/tutoring/tlc> or call 592-4968 for current semester operating hours.

**ACCOMMODATIONS:** Students who need special accommodations in this class because of a documented disability should notify Student Disability Services by calling (864) 592-4818, toll-free 1-800-922-3679; via email through the SCC web site at [www.sccsc.edu/resources/disabilities](http://www.sccsc.edu/resources/disabilities); or by visiting the office located in the East Building Room 30-B on the SCC Central campus. Contacting Student Disability Services early in the semester gives the College an opportunity to provide necessary support services and appropriate accommodations.

**Inclement Weather Schedule:**

- Check STC Web Site: [www.sccsc.edu](http://www.sccsc.edu)
- Tune to **Channel-7** Local T.V. Station (CBS)
- Tune to an FM/AM Local radio station

**Program Director**

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**Program Department Chair**

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**COURSE OUTCOMES & OBJECTIVES:** Upon satisfactory completion of this course, the student will be able to:

- I. Evaluate accounting concepts for contributed Capital
  1. Identify and explain the management issues related to contributed capital
  2. Identify the components of stockholders' equity
  3. Explain cash dividends and treasury stock
  4. Prepare journal entries for common stock, preferred stock, stock dividends, and distribution of dividends

- II. Demonstrate Corporate Income Statement and the Statement of Stockholders' Equity
  1. Prepare a corporate income statement and a statement of stockholders' equity
  2. Identify the issues related to evaluating the quality of earnings
  3. Describe the disclosure on the income statement of discontinued operations, extraordinary items, and accounting changes
  4. Calculate earnings per share and book value per shares
  5. Explain stock dividends and stock splits
  6. Explain the relationships among income taxes
  
- III. Identify the concepts involved in a changing business environment
  1. Describe the difference between managerial and financial accounting
  2. Explain responsibility accounting
  3. Identify the standards of ethical conduct
  
- IV. Apply cost concepts and cost allocation
  1. Explain activity based costing
  2. Explain manufacturing overhead
  3. Describe the flow of costs through the manufacturing inventory accounts
  4. Compare how service, retail and manufacturing organizations report cost on their financial statements and how they account for inventory
  
- V. Identify and perform the accounting applications associated with management accounting and job order cost system
  1. Describe the differences between job order costing and process costing accounting
  2. Define and illustrate materials, factory labor and factory overhead costs
  3. Prepare journal entries for a job order cost accounting system
  4. Explain the use of job order cost information for decision making
  5. Explain job order costing in a service business

- VI. Apply cost accounting procedures in a process cost system
  - 1. Explain and illustrate the physical flows and cost flows for a process manufacturing
  - 2. Explain and apply the concept of equivalent production
  - 3. Calculate and interpret the accounting for completed and partially completed units under the FIFO method
  - 4. Prepare a cost of production report
  - 5. Prepare journal entries for transactions of a process manufacturer
  
- VII. Demonstrate how to use cost allocation and activity-base costing
  - 1. Identify three methods used for allocating factory overhead costs to products
  - 2. Use activity-based costing for product costing
  - 3. Apply multiple production department overhead rates for product costing
  - 4. Calculate a single-plant-wide factory overhead rate for product costing
  - 5. Identify activity-base costing for product costing and in a service business
  - 6. Define JIT operating philosophy
  - 7. Distinguish between value-adding and non-value adding activity
  
- VIII. Identify and perform basic procedures associated with cost behavior and cost-volume-profit analysis
  - 1. Classify cost by their behavior as variable costs, fixed costs and mixed cost
  - 2. Compute the contribution margin and explain its usefulness to management
  - 3. Determine break-even point and volume necessary to achieve a target profit
  - 4. Compute the margin of safety
  - 5. Explain profit reporting for management analysis
  - 6. Describe and illustrate income reporting/analysis under variable costing and absorption costing

- IX. Identify and perform basic procedures associated with budgeting controls
  - 1. Define the concept of budgetary control
  - 2. Identify the components of a master budget and describe how they are related to each other
  - 3. Prepare a master budget
  - 4. Prepare a cash budget
  - 5. Describe management's role in budget process
  - 6. Prepare the operating budgets that support financial budgets
  
- X. Use appropriate techniques involved in a standard cost system and variance analysis
  - 1. Explain the procedures and techniques involved in standard cost accounting
  - 2. Use proper procedures for recording standard costs of materials, labor, and overhead
  - 3. Determine and analyze variances in material, labor, and overhead costs
  - 4. Use appropriate procedures for disposing of variances
  - 5. Recognize the different types of budgets prepared by businesses and explain the principles involved in their preparation
  - 6. Explain how variances are used to evaluate manager's performance
  - 7. Explain performance management and evaluation
  
- XI. Demonstrate the use of differential analysis and product pricing
  - 1. Determine the selling price of a product using the total cost, product cost and variable cost concept
  - 2. Analyze decisions involving discontinued segment or product, market or buy; replace equipment, process or sell, accept business at a special price
  
- XII. Identify and perform basic procedures associated with capital investment analysis
  - 1. Explain the nature and importance of capital investment analysis
  - 2. Evaluate capital investment proposals using the following methods: payback, net present value

- and internal rate of return
  - 3. List and describe factors that complicate capital investment analysis
- XIII. Apply the prescribed behaviors of behaviors of problem solving, relating interpersonally and oral/written communication skills
- 1. Apply an organized process for solving complex problem
  - 2. Demonstrate the ability to effectively interact with individuals possessing different abilities to reach desired goals
  - 3. Demonstrate ability to convey information to others with clarity using both written and oral communications
- XIV. Prepare and analyze the statement of cash flows
- 1. Summarize the types of cash flow activities reported in the statement of cash flow
  - 2. Prepare a statement of cash flows using the indirect method
  - 3. Identify common sources and uses of cash from operating, investing and financing activity
- XV. Explain the objectives and perform the techniques for financial statement analysis
- 1. Test basic financial statement analytical procedure
  - 2. Apply financial statement analysis to assess the solvency and profitability of a business
  - 3. Describe the content of corporate annual reports
  - 4. Summarize the uses and limitations of financial statement analysis
  - 5. Apply horizontal analysis, vertical analysis, and trend analysis on financial statements
  - 6. Identify the standards for financial statement analysis
- XVI. Demonstrate and identify the accounting procedures associated with Bonds Payable and Investments in bonds
- 1. Describe the characteristics of bonds
  - 2. Calculate the present value of bond payable
  - 3. Prepare journal entries for bond payable
  - 4. Explain what is a bond sinking fund
  - 5. Prepare journal entries for bond redemption

6. Prepare a corporation balance sheet
7. Prepare journal entries for purchase, interest, discount and premium amortization and sale of bond investments
8. Identify the management issues related to issuing long-term debt

- XIV. Evaluate accounting concepts for partnerships
1. Compare the partnership form of business with other forms
  2. Demonstrate how to account for partnerships
  3. Demonstrate the proper treatment for changes of ownership in a partnership
  4. Demonstrate the proper treatment for the liquidation of a partnership
  5. Calculate and interpret the partner return on equity ratio