

NOVA COLLEGE-WIDE COURSE CONTENT SUMMARY

ACC 231 - COST ACCOUNTING I (3 CR.)

Course Description

Studies cost accounting methods and reporting as applied to job order, process, and standard cost accounting systems. Includes cost control and other topics. Lecture 3 hours per week.

General Course Purpose

This course is designed for the student in the Accounting Program or a student who wishes to improve accounting knowledge and skill for personal use, job improvement, or as preparation for job qualification. It is normally taken in the second year after successful completion of the first year of college accounting. The course is designed to explore various methods, techniques and terminology used in cost accounting for both the job order cost system and the process cost system. The student will develop skill in the collection of cost data, the application of this data to appropriate journals and ledges, the preparation of feeder reports and statements supplied to management for decision-making and briefing.

Course Prerequisites/Corequisites

Prerequisite: ACC 212

Course Objectives

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

- Apply knowledge previously learned to a given complex situation
- Explain the cost accounting terminology, the elements of the job order cost system, the process cost system and preparation of journal entries, ledger accounts and statement preparation
- Recognize the place of the cost accountant in the business organization, the importance of the cost accounting information system to the performance and success of all levels of management
- Understand the nature and scope of cost accounting as applied to various manufacturing processes
- Apply the knowledge of job order and process cost systems to simulate real-life situations
- Prepare reports for submission to higher management levels to assist in making decisions
- Develop a level of proficiency where he or she will be able to recognize opportunities for application of cost accounting principles and procedures
- Analyze a situation and apply the best method of cost accounting to the situation to develop adequate cost records and reports to assist management in the decision-making process
- Explain cost principles and procedures
- Determine when further refinement of these principles are necessary
- Research methods that will lead to improvements for cost accounting system in effect
- Prepare for employment as a junior accountant or for further study in accounting
- Maintain an accuracy rating for problem-solving of at least 90%

Major Topics to be Covered

- The relationship of cost accounting and the cost accountant to the accounting profession and the management hierarchy, and ultimately to society in general
- The importance of developing cost centers and apportioning the indirect or fixed costs to these centers as well as the more readily identifiable direct or variable costs
- Developing methods which make the flow of costs from the job site to the accounting office direct, quick, and simple so that the cost accountant obtains correct and vital information to prepare reports