

**INTER AMERICAN UNIVERSITY OF PUERTO RICO  
METROPOLITAN CAMPUS  
ADMINISTRATIVE AND ECONOMIC SCIENCES FACULTY  
SCHOOL OF ECONOMICS  
ACCOUNTING MBA PROGRAM**

**SYLLABUS**

**I. GENERAL INFORMATION**

Course title : ADVANCED COST ACCOUNTING  
Course Code : ACCT 6180  
Credits : 3  
Term :  
Professor :  
Office Hours :  
Phone Number :  
E-mail address :

**II. COURSE DESCRIPTION:**

Financial information analysis, planning, budget and other related aspects as instruments for managerial and production decision making. Emphasis on cost allocation, its distribution and breakeven analysis.

**III. OBJECTIVES**

At the end of the trimester the student should be able to:

1. Understand the relationship among financial, management, and cost accounting
2. Know what are the sources of ethical standards for cost accountants
3. Know why is ethical behavior so important in organizations
4. Explain what are the product cost categories and what items comprise those categories
5. Calculate de cost of goods manufactured for use in preparing an income statement
6. How does the conversion process occur in manufacturing and service companies
7. Explain why and how are overhead cost allocated to products and services

8. Explain the impact that different capacity measures have on setting predetermined overhead rates
9. Understand why and how are overhead costs allocated to products and services
10. Explain how do absorption and variable costing differ
11. How do changes in sales and production levels affect net income computed under absorption and variable costing
12. Understand how do job order and process costing systems differ
13. Explain the flow of costs in a job order costing system
14. Understand and use standard costs in conjunction with a job order costing system
15. Know the difference between process costing from job order costing
16. Design a cost system for a manufacturing and a service company
17. Explain the meaning of equivalent units of production and its use in costing
18. Explain the difference between equivalent units of production, unit costs, and inventory values determined in a FIFO system of cost as compared to a weighted average system
19. Understand and use the concept of normal and abnormal spoilage losses as well as rework costs
20. Know how are standards for material, labor, and overhead set
21. Perform variance analysis for material, labor and overhead and record them
22. Know the reason and business situation for establishing a standard system of cost
23. Know the classification of the output of a joint process
24. Know how to allocate the joint cost of production to joint costs
25. Know the accounting for by-product and scrap
26. Distribute support department costs to manufacturing and operating departments

#### **IV. CONTENT**

Chapter	1	Introduction to Cost Accounting
	2	Cost Terminology and Cost Behavior
	3	Predetermined Overhead Rates, Flexible Budgets

5	Job Order Costing
13	Cost Allocations (pp. 470 - 478)
6	Process Costing
7	Standard Costing and Variance Analysis
3	Absorption/Variable Costing
11	Allocation of Joint Cost and Accounting for By-Product /Scrap

## **V. ACTIVITIES**

**Note:** The teacher may change the items discussed in class to match the material with the proficiency of the individual class group. In order to serve the best learning interest of the students, all changes will be announced with anticipation. This material is only a guide of the minimum requirements to master the material. The student should strive towards doing all questions and exercises.

## **VI. COURSE EVALUATION**

Tests are in English. The evaluation is based on three partial exams, each exam with a weight of 25% and the exam with the highest grade will be assigned an additional 25%

Class attendance is required. For every three (3) absences, the final grade will be reduced once.

Makeup tests will not be given unless approval for a makeup is granted before the test or illness prevents a student from taking the exam.

## **VII. SPECIAL NOTES**

### **A. Special Accommodations**

Students who require special accommodations must request these services at the beginning of the course as soon as they notice that they need help. Students can access the service with Professor Jose Rodriguez, Coordinator of Students with Special Needs at the Guidance and counseling office on the first floor at Metro's Student Center.

- B.** Plagiarism, dishonesty, fraud and any other type of manipulation or inappropriate behavior related with academic performance are unacceptable in our institution. Disciplinary actions will be taken on students found guilty of such practice as established in Chapter V, Article 1, Section B.2 of the Student's Rules and Regulations Handbook.

Inter-American University has very strict regulations regarding plagiarism (using the ideas or words of others without giving proper credit), so it is important that you specifically read Chapter V, Article 1, Section B.2C of the Student's Rules and Regulations Handbook. This section clearly explains what plagiarism is. In addition, it explains the types of sanctions students are exposed to when they commit it.

C. Use of Electronic Devices

Cellular (mobile) telephones and any other electronic device that could interrupt the teaching-learning process or disrupt a milieu favorable for academic excellence will be deactivated. Critical situations will be dealt with an appropriate manner. The use of electronic devices that permit the accessing, storing or sending of data during tests or examinations is prohibited.

**VIII. EDUCATIONAL RESOURCES**

Kinney and Raiborn ; *Cost Accounting - Foundations and Evolutions* 7E edition, Thompson South Western

**IX. BIBLIOGRAPHY**

Hansen, Mowen, and Guan (LATEST EDITION): *Cost Management - Accounting and Control*, 6th edition South Western

Horngreen, Datar and Foster (LATEST EDITION)*Cost Accounting: A Managerial Emphasis*: 11th edition Prentice Hall

**OPAC/VAAEPS**  
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