WILMINGTON UNIVERSITY
COLLEGE OF BUSINESS
BASIC COURSE INFORMATION

COURSE TITLE: Accounting II

COURSE NUMBER: BAC 102

I. RATIONALE:

The corporation is the dominant form of business in the United States. Students need to know how to account for their activities including managing costs to provide a fair return to stockholders.

II. MAJOR INSTRUCTIONAL GOALS:

GOAL A: The student will account for the issuance of common and preferred stock and the related cash dividends on each class of stock.

Learning Outcomes: The student will:
A-1 Identify the characteristics of a corporation.
A-2 Record the issuance of preferred and common stock at par and above par.
A-3 Prepare the stockholders’ equity section of a corporation balance sheet.
A-4 Account for cash dividends.

GOAL B: The student will account for retained earnings, stock dividends, stock splits, and treasury stock, and earnings per share.

Learning Outcomes: The student will:
B-1 Account for stock dividends.
B-2 Distinguish stock splits from stock dividends.
B-3 Account for treasury stock.
B-4 Analyze a complex income statement.
B-5 Calculate earnings per share
B-6 Explain prior period adjustments

GOAL C: The student will account for long-term liabilities such as bonds payable and lease obligations.

Learning Outcomes: The student will:
C-1 Account for bonds payable transactions.
C-2 Measure and journalize interest expense by the straight-line interest method.
C-3 Account for the retirement and conversion of bonds payable.
C-4 Report liabilities on the Balance Sheet
C-5 Show the advantages and disadvantages of financing with stocks and bonds.
C-6 Differentiate between an operating and capital lease.

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GOAL D: The student will prepare and explain the usefulness of the Statement of Cash Flows using the indirect method.

Learning Outcomes: The student will:
D-1 Identify the purposes of the Statement of Cash Flows
D-2 Distinguish among operating, investing, and financing cash flows.
D-3 Prepare a Statement of Cash Flows by the indirect method.

GOAL E: The student will perform financial analysis using analysis tools and ratios.

Learning Outcomes: The student will:
E-1 Perform a horizontal analysis of comparative financial statements.
E-2 Perform a vertical analysis of financial statements.
E-3 Prepare and use common-size financial statements
E-4 Compute the standard financial rations and explains their purposes.

GOAL F: The student will identify differences between financial and management accounting.

Learning Outcomes: The student will:
F-1 Distinguish financial accounting from management accounting
F-2 Explain the function and role of the management accountant

GOAL G: The student will explain the different elements of cost in business organizations.

Learning Outcomes: The student will:
G-1 Differentiate costs of service, merchandising, and manufacturing companies.
G-2 Identify the differences in Income Statements of service, merchandising, and manufacturing companies

GOAL H: The student will define period and product costs in service, merchandising, and service organizations.

Learning Outcomes: The student will:
H-1 Differentiate direct costs from indirect costs
H-2 Differentiate full product costs, inventoriable product costs, and period costs in service, merchandising, and manufacturing companies.

GOAL I: The student will describe how costs flow in a manufacturing firm.

Learning Outcomes: The student will:
I-1 Distinguish between job costing and process costing.
I-2 Distinguish between the flow of costs in job costing and process costing.
GOAL J: The student will account for manufacturing costs using job order costing:

Learning Outcomes: The student will:
J-1 Record materials and labor in a job order costing system.
J-2 Record and allocate overhead in a job order costing system.
J-3 Record completion and sales of finished goods and the adjustment for under- or overallocated overhead.

GOAL K: The student will assign costs using Activity-Based Costing.

Learning Outcomes: The student will:
K-1 Differentiate between traditional versus Activity-Based Costing Systems (ABC)
K-2 Develop Activity-Based Costs.
K-3 Explain the benefits of ABC

GOAL L: The student will explain the various cost terms and tools used in planning, control and decision making.

Learning Outcomes: The student will:
L-1 Analyze the basic cost behavioral patterns-variable and fixed.
L-2 Use a Contribution Margin Income Statement to make business decisions.
L-3 Identify how changes in volume affect costs
L-4 Use cost-volume-profit analysis to compute breakeven points
L-5 Use cost-volume-profit analysis for profit planning and decision making
L-6 Compute income using variable costing and absorption costing

GOAL M: The student will make short-term special order and pricing decisions.

Learning Outcomes: The student will:
M-1 Differentiate between relevant and irrelevant costs.
M-2 Determine when to accept a special order.
M-3 Explain when and how to set regular prices using target pricing and cost-plus pricing

GOAL N: The student will explain the types, purposes, and processes involved in budgeting.

Learning Outcomes: The student will:
N-1 Explain the benefits of budgets
N-2 Identify the components of the master budget
N-3 Prepare an operating budget.
N-4 Define a flexible budget and variances
N-5 Prepare an Income Statement Performance (variance) Report

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