



Your competence will be assessed as you complete the ABC2 objective assessment for this course of study. This course of study represents 4 competency units and may take up to 13 weeks to complete.

Introduction

Overview

Study in both financial and managerial accounting provides a good foundation for the concepts of finance, the methods that individual businesses and organizations use to raise, allocate, and manage money, and for the decision making necessary to properly manage the capital of the firm and risk.

Outcomes and Evaluation

There are 3 competencies covered by this course of study; they are listed in the "[Competencies for Advanced Concepts in Accounting and Finance \(ABC2\)](#)" page.

You will complete the following assessments as you work through the course of study.

Objective Assessment

You will complete the following objective assessment:

- ABC2

For specific information about this assessment, select this course under the "Course Details" section of Student Degree Plan.

The CMBA (certified masters of business administration) is an objective measure of your mastery of ten core business content areas. Three of the core business content areas are measured in the ABC2 assessment, and the other seven are measured in the ABC1 and ABC3 assessments.

The ABC2 assessment covers the following content areas:

- Financial accounting
- Managerial accounting
- Finance

Preparing for Success

The information in this section is provided to help you become ready to complete this course of study. As you proceed, you will need to be organized in your studies in order to gain competency in the indicated areas and prepare yourself to pass the final assessments.

Your Learning Resources

Enroll in or order the learning resources for this course as early as possible so as to give them time to arrive and give you enough time to become familiar with them.



Automatically Enrolled Learning Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

VitalSource E-Texts

The following textbooks are available to you as e-texts within this course of study. You will be directly linked to the specific readings required within the activities that follow.

- Garrison, R. H., Noreen, E., & Brewer, P. C. (2012). *Managerial accounting* (14th ed.). New York: McGraw-Hill. ISBN: 0078111005.
- Ross, S. A., Westerfield, R. W., & Jordan, B. D. (2009). *Fundamentals of corporate finance* (9th ed.). New York: McGraw-Hill. ISBN: 9780073382395.

Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

SkillSoft and Books 24x7

You will access SkillSoft items within this course of study. For more information on accessing SkillSoft items, please see the "[Accessing SkillSoft Learning Resources](#)" page.

Introduction to Accounting: The Language of Business

The Introduction to Accounting: The Language of Business courseware contains modules with lessons that are instructor-led with on-screen presentation of material. There are numerous helps built into each lesson. You will be directed to specific links to this resource in the activities that follow.

Enroll in Learning Resources

You will need to enroll in or subscribe to additional learning resources as a part of this course of study.

You may already have enrolled in these resources for other courses. Please check the "Learning Resource" tab and verify that you have access to the following learning resources. If you do not currently have access, please enroll or renew your enrollment at this time.

Note: For instructions on how to enroll in or subscribe to learning resources through the "Degree Plan" tab, please see the "[Acquiring Your Learning Resources](#)" page.

MyAccountingLab

For additional information on MyAccountingLab, see the "[MyAccountingLab How-To](#)" document. MyAccountingLab includes the following e-textbook:

- Horngren, C. T., & Harrison, W. T. (2009) *Accounting* (8th ed.). Upper Saddle River, NJ: Prentice Hall. ISBN-13: 9780136072973.



Note: The activities for the textbook's online companion site are based on the 7th edition, but some of the chapter numbers have changed in the 8th edition, which is the edition available in MyAccountingLab.

Financial Accounting Financial Boards Database

Activities within this course of study will direct you to utilize the Financial Accounting standards Board (FASB) database. Here is the log-in information for access to the [FASB Codification database](#).

Log in at the link above using the following:

- Username: AAA52071
- Password: 9ZTcT8x

Additional Preparation

There are many different learning tools available to you within your course of study in addition to the learning resources already discussed. Take the time to familiarize yourself with them and determine how best to fit them into your learning process.

Message Boards, Learning Communities, Study Notes, FAQs

Message boards, learning communities, study notes, and FAQs are available in every course of study.

Use the "[Additional Learning Tools](#)" page to review these tools.

Course Mentor Assistance

Course mentors are available to help you. Their job is to aid understanding in areas where you need to improve and to guide you to learning resources. Request their help as needed when preparing for assessments.

Course mentors cannot provide reviews of entire assessments. If you fail assessment attempts, review the provided feedback first, then ask the course mentor specific questions about what you can do to meet the competency standard. Request course mentor assistance as necessary in preparing for second attempts at objective assessments or performance task revisions. Mentors cannot guarantee you pass as they do not evaluate assessments; however, they can provide the assistance and advice necessary to help you succeed.

Accounting Fundamentals: Financial Accounting Concepts

Accounting is the language of business. It is how a business keeps score. Accounting is the practice of recording, classifying, and summarizing money, transactions, and events of an organizational entity.

Financial statements are the communication tools used by business to show interested parties (e.g., owners, lenders, government agencies) the results of operations and the financial



condition of the company. Understanding how to record business transactions using debits and credits is one of the most important accounting concepts.

As you work through this section, answer the following questions:

- How can you explain what accounting is all about?
- What is the purpose of accounting to individuals and organizations?
- How is the balance sheet equation used?

Competencies covered by this subject

964.1.9 - Financial Accounting

The graduate understands concepts and procedures associated with financial accounting.

Financial Accounting Concepts and Procedures

In this section, you will become familiar with some of the assumptions and principles used in accounting and apply the basic equation that all accounting logic is built on.

When you have completed this section, you will be able to

- apply accounting principles and concepts,
- use the accounting equation,
- analyze business transactions,
- prepare financial statements, and
- evaluate business performance.

Accounting and the Business Environment

Complete the structured learning steps in the "Fin Acctg - A Primer" in MyAccountingLab for this accounting and the business environment.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 1 ("Accounting and the Business Environment")

Continue through the structured learning steps for the chapter after completing the reading.

Introduction to Accounting Lesson 1

Participate in Basic Lesson 1 in [Introduction to Accounting](#).

Accounting Fundamentals

Complete the following SkillsSoft lesson and review the accompanying Job Aids and SkillBriefs:

- [FIN0121: Accounting Fundamentals](#)

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 1, select "Internet Exercises" from the menu on the left side of the page. Complete options 1 and 2.



Chapter 1 Message Board

Visit the message board for this course of study. Look for the subject line "Chapter 1." Post a comment about your findings. While in the message board, read and respond to the ideas presented by other students.

Accounting Fundamentals: Recording Business Transactions

Understanding the business transactions process is critical to the study of accounting fundamentals. The flow of business transactions varies from transaction analysis through recording the necessary entries in the journal and ledger by applying the rules of debit and credit.

When you have completed this section, you will be able to

- apply the rules of debits and credits,
- identify how to record to the journal and ledger, and
- create a trial balance.

Recording Business Transactions

Complete the structured learning steps in the "Fin Acctg - A Primer" in MyAccounting Lab for recording business transactions. After completing the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 2 ("Recording Business Transactions")

Continue through the structured learning steps for the chapter after completing the reading.

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 2, select "Internet Exercises" from the menu on the left side of the page. Complete option 2. The URL provided, [cbs.marketwatch.com](#), should be replaced with [www.marketwatch.com](#).

Chapter 2 Message Board

Visit the message board for this course of study. Look for the subject line "Chapter 2." Post a comment about your findings from the internet exercise in the previous activity. While in the message board, read and respond to the ideas presented by other students.

Introduction to Accounting Lesson 2

Participate in Basic Lesson 2 in [Introduction to Accounting](#).

Accounting Fundamentals: The Accounting Cycle

Major corporations are required to use accrual accounting instead of cash basis accounting, which is sometimes preferred by smaller entities.

In this section you will review the process of creating the financial statements and getting the financial records ready for the next accounting period. Focus primarily on the closing process.



Consider the following question:

- What is the sequence of activities known as the accounting cycle?

Competencies covered by this subject

964.1.9 - Financial Accounting

The graduate understands concepts and procedures associated with financial accounting.

Adjusting Process and Completing the Accounting Cycle

When you have completed this section, you will be able to

- distinguish accrual accounting from cash basis accounting,
- apply the revenue and matching principles,
- create an adjusted trial balance, and
- determine the bad debt expense and allowance.

The Adjusting Process

Complete the structured learning steps in the "Fin Acctg - A Primer" in MyAccountingLab for the adjusting process.

After taking the "Check In" quiz, read the following in *Accounting* in MyAccountingLab:

- chapter 3 ("The Adjusting Process")
- pages 433-438 in chapter 8 ("Receivables")

Continue through the structured learning steps for chapter 3 after completing the reading.

Introduction to Accounting Lesson 3

Participate in Basic Lesson 3 in [Introduction to Accounting](#).

SkillSoft

Complete the following SkillSoft lessons and review the accompanying Job Aids and SkillBriefs:

- [FIN0122: Accrual Accounting Procedures](#)
- [FIN0243: Managing for Asset Control](#)
- [FIN0255: Analyzing Cash Flow](#)

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 3, select "Internet Exercises" from the menu on the left side of the page. Complete options 2 and 3.

Chapter 3 Message Board

Visit the message board for this course of study. Look for the subject line "Chapter 3." Post a comment about your findings. While in the message board, read and respond to the ideas presented by other students.

Completing the Accounting Cycle

When you have completed this section, you will be able to



- identify permanent and temporary accounts,
- perform the closing entries, and
- create a trial balance.

Completing the Accounting Cycle

Complete the structured learning steps in the "Fin Acctg - A Primer" in MyAccountingLab for completing the accounting cycle.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 4 ("Completing the Accounting Cycle")

Continue through the structured learning steps for the chapter after completing the reading.

Introduction to Accounting Lesson 4

Participate in Basic Lesson 4 in [Introduction to Accounting](#).

Accounting Systems and Closing Entries

Complete the following SkillsSoft module and review the accompanying Job Aids and SkillBriefs:

- [FIN0123: Accounting Systems and Closing Entries](#)

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 1, select "Internet Exercises" from the menu on the left side of the page. Complete option 3.

Accounting: More Advanced Concepts

In this subject, you will study the internal control and cost allocation of long-term assets. Long-term assets provide economic benefit to the firm over multiple accounting periods.

Competencies covered by this subject

964.1.9 - Financial Accounting

The graduate understands concepts and procedures associated with financial accounting.

Internal Control Structure

Internal control is a very important part of the accounting system. In fact, it is one of the first tests conducted in an audit.

When you have completed this section, you will be able to

- discuss the methods used to protect company assets in an internal control system, and
- explain the main impacts of the Sarbanes-Oxley Act.

Internal Control and Cash

Complete the structured learning steps in the "ABC2 Financial" section of MyAccountingLab for internal control and cash.



After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 7 ("Internal Control and Cash")

Continue through the structured learning steps for the chapter after completing the reading.

Introduction to Accounting Lesson 7

Participate in Basic Lesson 7 in [Introduction to Accounting](#).

SkillSoft

Complete the following SkillSoft lesson and pay particular attention to the Sarbanes Oxley Job Aid:

- [IND0207 Manufacturing Industry Overview: Version 1](#)

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 7, select "Internet Exercises" from the menu on the left side of the page. Complete option 2.

Cost Allocation for Long-term Assets

Cost allocation is the method used to recognize the use of a long-term asset in the accounting periods in which it will provide economic benefit. You will study multiple methods in this section.

When you have completed this section, you will be able to

- explain the cost of property, plant, and equipment,
- identify the amount of cost allocation needed to record for a long-term asset,
- determine the amount of cost allocation needed to record for an intangible asset, and
- discuss the special rules that apply to accounting for research and development.

Plant Assets and Intangibles

Complete the structured learning steps in the "ABC2 Financial" section of MyAccountingLab for plant assets and intangibles.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 9 ("Plant Assets and Intangibles")

Continue through the structured learning steps for the chapter after completing the reading.

Introduction to Accounting Lesson 8

Participate in Basic Lesson 8 in [Introduction to Accounting](#).

SkillSoft

Complete the following SkillSoft lesson and review the accompanying Job Aids and SkillBriefs:



- [FIN0258: Analyzing an Annual Report](#)

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 9, select "Internet Exercises" from the menu on the left side of the page. Complete option 2 (the company information needed for your search is listed in option 1).

Chapter 9 Message Board

Visit the message board for this course of study. Look for the subject line "Chapter 9." Post a comment about your findings. While in the message board, read and respond to the ideas presented by other students.

Corporations: Paid-In Capital and the Balance Sheet

Corporations are distinctive. Ownership evidence is a share of stock. For large corporations, the common stockholders normally vote on a board of directors, who then appoint a management team to run the company.

When you have completed this topic, you will be able to:

- record the issuance of shares of stock.
- differentiate between common and preferred stock.
- determine what is done on each of the dates associated with a dividend.

Corporations: Paid-In Capital and the Balance Sheet

Complete the structured learning steps in the "ABC2 Financial" section of MyAccountingLab for corporations: paid-in capital and the balance sheet.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 11 ("Corporations: Paid-In Capital and the Balance Sheet")

Continue through the structured learning steps for the chapter after completing the reading.

SkillSoft

Complete the following SkillSoft modules and review the accompanying Job Aids and SkillBriefs:

- [FIN0213: Raising Capital and Financing Decisions](#)
- [FIN0222: Accounting for Corporations](#)

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 11, select "Internet Exercises" from the menu on the left side of the page. Complete options 1 and 2.

Course of Study Message Board

Visit the message board for this course of study. Look for the subject line "Chapter 11." Post a



comment about your findings. While in the message board, read and respond to the ideas presented by other students.

Introduction to Accounting Lesson 9

Participate in Basic Lesson 9 in [Introduction to Accounting](#).

Corporate Equity and Long-Term Liabilities

In this section, you will continue your study of corporate equity as you study stock dividends, stock splits, treasury stock, and the retained earnings account. You will also review long-term liabilities, which are typically bonds used as another source of capital acquisition.

Competencies covered by this subject

964.1.9 - Financial Accounting

The graduate understands concepts and procedures associated with financial accounting.

Retained Earnings and the Income Statement

When you have completed this section, you will be able to

- record cash dividends, stock dividends, and stock splits,
- account for treasury stock,
- account for retained earnings based on the many transactions that impact this account, and
- use the income statement results to calculate the earnings per share and what that means.

Corporations: Retained Earnings and the Income Statement

Complete the structured learning steps in the "ABC2 Financial" section of MyAccountingLab for chapter 12.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 12 ("Corporations: Retained Earnings and the Income Statement")

Continue through the structured learning steps for the chapter after completing the reading.

Introduction to Accounting Lesson 9

You have already completed Basic Lesson 9 in [Introduction to Accounting](#). Now is an excellent time to review the lessons and apply them to the current topic.

SkillSoft

You have already completed the following SkillSoft activities. Now is an excellent time to review the lessons and apply them to the current topic:

- [FIN0213: Raising Capital and Financing Decisions](#)
- [FIN0222: Accounting for Corporations](#)

Internet Exercises



On the [Accounting textbook companion website](#) for chapter 12, select "Internet Exercises" from the menu on the left side of the page. Complete option 2 (the company information needed for your search is listed in option 1).

Long-term Liabilities

Bonds are used by corporations and governments as another source of capital.

When you have completed this section, you will be able to

- identify the characteristics of specific bond types,
- determine the price of a bond when it was sold,
- record the interest when paid, and
- identify the advantages and disadvantages of issuing bonds versus stock.

Long-Term Debt

Read the following in *Accounting* in MyAccountingLab:

- pages 542-590 of chapter 10

Continue through the structured learning steps for the chapter. Study the concepts using appendix 10A and appendix 10B.

Introduction to Accounting Lesson 7

Participate in Expanded Lesson 7 in [Introduction to Accounting](#).

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 10, select "Internet Exercises" from the menu on the left side of the page. Complete option 2 (the company information needed for your search is listed in option 1).

Course of Study Message Board

Visit the message board for this course of study. Look for the subject line "Chapter 10." Post a comment about your findings. While in the message board, read and respond to the ideas presented by other students.

Statement of Cash Flows and Financial Statement Analysis

In this section, you will study the fourth required financial statement as well as some financial statement analysis tools.

Competencies covered by this subject

964.1.9 - Financial Accounting

The graduate understands concepts and procedures associated with financial accounting.

The Statement of Cash Flows

The statement of cash flows is the fourth required financial statement. It is completed after the balance sheet and summarizes the sources and uses of cash during the accounting period.

When you have completed this section, you will be able to



- list the components that comprise a typical financial statement,
- describe how changes to a company's revenue and expenses affect its income statement, and
- explain how changes in income statement and balance sheet data affect a statement of cash flows.

The Statement of Cash Flows

Complete the structured learning steps in the "ABC2 Financial" section of MyAccountingLab for chapter 13.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 13 ("The Statement of Cash Flows")

Continue through the structured learning steps for the chapter after completing the reading.

Statement of Cash Flows Video

View the chapter 15 video, "[Statement of Cash Flows](#)," on the *Managerial Accounting* textbook companion website.

SkillSoft

Complete the following SkillSoft lesson and review the accompanying Job Aids and SkillBriefs:

- [FIN_01_a04_bs_enus: Financial Statements](#)

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 13, select "Internet Exercises" from the menu on the left side of the page. Complete options 2 and 3 (the company information needed for your search is listed in option 1). Some other options for your search include CSCO, DELL, MSFT, GE, XON, or a company you choose. Modify your search as necessary to find the information.

Course of Study Message Board

Visit the message board for this course of study. Look for the subject line "Chapter 13." Post a comment about your findings. While in the message board, read and respond to the ideas presented by other students.

Financial Statement Analysis

Company's ratios are relatively easy to calculate, but stopping at these calculations would provide only a small subset of potential information that can be gleaned from the data. How do the ratios compare with last year's calculations, with other companies in the same industry, or with the market?

When you have completed this section, you will be able to

- complete horizontal and vertical analyses,



- work with liquidity ratios and determine their usefulness in decision making,
- work with performance ratios and determine their usefulness in decision making, and
- work with investment utilization ratios and determine their usefulness in decision making.

Financial Statement Analysis

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 14 ("Financial Statement Analysis")

View the chapter 16 video, "Financial Statement Analysis." on the [Managerial Accounting textbook companion website](#).

Continue through the structured learning steps for chapter 14 in the *Accounting* text after completing the reading and viewing the video.

Introduction to Accounting Lesson 10

Participate in Basic Lesson 10 and the Hot Cars, Inc. module in [Introduction to Accounting SkillSoft](#)

Complete the following SkillSoft lessons and review the accompanying Job Aids and SkillBriefs:

- [FIN0253: Analyzing the Income Statement and Balance Sheet](#)
- [FIN0254: The Income Statement and Balance Sheet Connection](#)
- [FIN0256: Ratio Analysis for Financial Statements](#)
- [FIN0258: Analyzing an Annual Report](#)

Internet Exercises

On the [Accounting textbook companion website](#) for chapter 14, select "Internet Exercises" from the menu on the left side of the page. Complete options 2 and 3 (the company information needed for your search is listed in option 1). Choose another company if you'd like to.

Managerial Accounting: Part 1

What does "managerial accounting" mean? What are the differences between managerial accounting and financial accounting? The key difference between financial accounting and managerial accounting is that the latter's goal is to help managers in businesses by providing them with reports that help to highlight financial issues.

Competencies covered by this subject

964.1.8 - Managerial Accounting

The graduate understands concepts and procedures associated with managerial accounting.

Introduction to Managerial Accounting

Managerial accounting is focused on cost control and on providing managers with information that is timely and useful for immediate decision needs.

When you have completed this section, you will be able to



- describe how opportunity cost concepts can enhance a management decision,
- calculate product and unit of service standard costs, and
- determine a company's most profitable product, customer, or division.

Introduction to Management Accounting

Complete the structured learning steps in the "ABC2 Managerial" section of MyAccountingLab for chapter 15.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 15 ("Introduction to Management Accounting")

Continue through the structured learning steps for the chapter after completing the reading.

Additional Practice

Review the chapter 15 summary and take the online quiz on the [Accounting textbook companion website](#).

Need for Managerial Accounting Information Video

View the "Need for Managerial Accounting Information" video on the [Managerial Accounting textbook companion website](#).

Introduction to Accounting Lesson 11

Participate in Basic Lesson 11 in [Introduction to Accounting](#).

SkillSoft

Complete the following SkillSoft module and review the accompanying Job Aids and SkillBriefs:

- [FIN0241: Overview of Managerial Accounting](#)

Introduction to Budgets

A business budget is a plan that includes an organization's financial and operations goals.

When you have completed this section, you will be able to

- calculate variances based on volume, efficiency, and price,
- describe the use of a flexible budget in a business, and
- describe the preparation of a master budget.

Budgets

Complete the structured learning steps in the "ABC Managerial" section of MyAccountingLab for this chapter 21.

After taking the "Check In" quiz, read the following chapters in *Accounting* in MyAccountingLab:

- chapter 21 ("The Master Budget and Responsibility Accounting")



- chapter 22 ("Flexible Budgets and Standard Costs")

Continue through the structured learning steps for the chapter after completing the reading.

Chapter 21 Practice

Review the chapter 21 summary and take the online quiz on the [Accounting textbook companion website](#).

Chapter 22 Practice

Review the chapter 22 summary and take the online quiz on the [Accounting textbook companion website](#).

The Budget Process, Setting Standards, and Flexible Budgets Videos

Watch the following videos on the [Managerial Accounting textbook companion website](#).

- "The Budget Process" (chapter 9)
- "Setting Standards" (chapter 10)
- "Flexible Budgets" (chapter 11)

Introduction to Accounting Lesson 14

Participate in Basic Lesson 14 and Expanded Lesson 14 in [Introduction to Accounting SkillSoft](#)

Complete the following SkillSoft lessons and review the accompanying Job Aids and SkillBriefs:

- [FIN0224: Master Budgets](#)

Managerial Accounting: Part 2

Cost-volume-profit techniques allow managers to forecast a breakeven point and the number of units necessary to achieve a target profit.

Competencies covered by this subject

964.1.8 - Managerial Accounting

The graduate understands concepts and procedures associated with managerial accounting.

Cost-Volume-Profit Analysis

When you have completed this topic, you will be able to

- calculate the breakeven rate based on units and sales dollars,
- identify examples of variable, fixed, and sunk costs,
- determine variable, fixed, and total costs using estimation methods,
- contrast income reported under variable costing and under full absorption,
- identify how period costs are treated in financial statements,
- use activity-based costing to determine product costs, and
- identify the components of the balanced scorecard.

Cost-Volume-Profit Analysis



Complete the structured learning steps in the "ABC2 Managerial" section of MyAccountingLab for chapter 18.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 18 ("Cost-Volume-Profit Analysis")

Continue through the structured learning steps for the chapter after completing the reading.

Additional Practice

Review the chapter 18 summary and take the online quiz on the [Accounting textbook companion website](#).

Cost-Volume-Profit Relationships Video

Watch the "Cost-Volume-Profit Relationships" video on the [Managerial Accounting textbook companion website](#).

Introduction to Accounting Lesson 13

Participate in Basic Lesson 13 in [Introduction to Accounting](#).

SkillSoft

Complete the following SkillSoft lesson and review the accompanying Job Aids and SkillBriefs:

- [FIN0244: Cost Accounting Decisions](#)

Activity-Based Costing

Activity-based costing is a method that enables an analyst to measure the cost and performance of cost objects.

When you have finished this section, you will be able to

- use activity-based costing to determine product costs, and
- identify the components of the balanced scorecard.

Activity-Based Costing and Other Cost Management Tools

Complete the structured learning steps in the "ABC2 Managerial" section of MyAccountingLab for chapter 17.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 17 ("Activity-Based Costing and Other Cost Management Tools")

Continue through the structured learning steps for the chapter after completing the reading.

Additional Practice

Review the chapter 24 summary and take the online quiz on the [Accounting textbook](#)



[companion website](#). This resource was supplied with the previous edition of the text in chapter 24; in the 8e edition Activity Based Costing is covered in chapter 17.

ABC Overview and Implementing an ABC System Video

Watch the following videos on the [Managerial Accounting textbook companion website](#).

- "ABC Overview"
- "Implementing an ABC System"

Managerial Accounting Reading

Read the following chapter in *Managerial Accounting*:

- [chapter 7 \("Activity-Based Costing: A Tool to Aid Decision Making"\)](#)

Introduction to Accounting Lesson 15

Participate in Expanded Lesson 15 in [Introduction to Accounting](#).

Managerial Accounting: Part 3

Some questions in this section, which covers managerial accounting, to think about are:

- What is capital budgeting?
- What are the basic steps of capital budgeting?
- What are the differences between accounting and financial accounting?

The key difference between financial accounting and managerial accounting is that the latter's goal is to help managers in businesses by providing them with reports that help to highlight financial issues.

Competencies covered by this subject

964.1.8 - Managerial Accounting

The graduate understands concepts and procedures associated with managerial accounting.

Capital Budgeting

Capital budgeting is the activity of determining how to treat capital assets, when to depreciate, and how.

When you have finished this topic, you will be able to:

- determine appropriate cost allocations when given selected financial data,
- calculate the economic impact of processing specific products beyond split-off,
- optimize production to maximize profits from a mix of planned products and activities,
- identify relevant costs in new equipment, make-or-buy, and drop-or-add decisions.
- determine the minimum acceptable price for a special order,
- calculate the net present value of an investment opportunity, and
- contrast relative performance based on ROI, EVA, ROS, et al.

Special Decisions and Capital Building



Complete the structured learning steps in the "ABC2 Managerial" section of MyAccountingLab for chapter 20.

After taking the "Check In" quiz, read the following chapter in *Accounting* in MyAccountingLab:

- chapter 20 ("Special Decisions and Capital Building")

Continue through the structured learning steps for the chapter after completing the reading.

Additional Practice

Review the chapter 25 summary and take the online quiz on the [Accounting textbook companion website](#).

Capital Budgeting Decisions Video

View the Capital Budgeting Decisions video on the [Managerial Accounting textbook companion website](#).

Additional Practice in Managerial Accounting

Review the capital budgeting content in the following chapter from *Managerial Accounting*:

- [chapter 13 \("Capital Budgeting Decisions"\)](#)

Managerial Accounting Reading

Read the following chapter in *Managerial Accounting*:

- [chapter 11 \("Performance Measurement in Decentralized Organizations"\)](#)

Introduction to Accounting Lessons

Participate in Expanded Lessons 7 and 17 in [Introduction to Accounting](#).

SkillSoft

Complete the following SkillSoft lessons and review the accompanying Job Aids and SkillBriefs:

- [FIN0162: The Ins and Outs of Capital Budgeting](#)
- [FIN0211: Introduction to Advance Finance](#)
- [FIN0212: Investment Project Analysis and Selection](#)
- [FIN0242: Managerial Decisions and Capital Budgeting](#)
- [FIN0244: Cost Accounting Decisions](#)

Time Value of Money Reading

Review the following websites about the time value of money:

- ["Understanding the Time Value of Money"](#) on Investopedia
- [Time Value of Money Self-Paced Overview](#)

Finance: Part 1



Corporate finance has the following main areas of concern: capital budgeting (what long-term investments the firm should take), capital structure (where to get the long-term financing to pay for investments), and the risk and return of the capital used. In other words, what mixture of debt and equity should be used to fund operations? How should the firm manage its everyday financial activities?

Competencies covered by this subject

964.1.7 - Finance

The graduate understands concepts and procedures associated with finance.

Basics of Business Finance

This section covers the definition of working capital management and the process for managing working capital assets and liabilities.

When you have finished this topic, you will be able to:

- recognize the differences between debt and equity,
- determine when to use short-term versus long-term financing,
- outline the activities that a firm takes to manage financial activities,
- identify the difference between cash flow and earnings,
- recognize the importance of cash flow timing,
- determine financing needs based on completion of the cash budget, and
- identify the relevance of market values over book values.

Introduction to Corporate Finance

Read the following chapter in *Fundamentals of Corporate Finance*:

- [chapter 1 \("Introduction to Corporate Finance"\)](#)

Access the chapter resources on the [textbook companion website](#) to review the chapter 1 summary and take the online quiz.

Short-Term Finance and Planning

Read the following in *Fundamentals of Corporate Finance*:

- sections 18.1-18.2 of [chapter 18 \("Short-Term Finance and Planning"\)](#)

Access the chapter resources on the [textbook companion website](#) to review the chapter summary and take the online quiz.

SkillSoft

Complete the following SkillSoft module and review the accompanying Job Aids and SkillBriefs:

- [FIN0214: Managing Working Capital](#)

Common Stock and the New York Stock Exchange (NYSE)

This section covers the characteristics of preferred and common stock and the framework of the New York Stock Exchange (NYSE).



When you have finished this section, you will be able to

- outline the activities that a firm takes to manage financial activities,
- identify the difference between cash flow and earnings,
- recognize the importance of cash flow timing,
- determine financing needs based on completion of the cash budget, and
- identify the relevance of market values over book values.

Financial Statements, Taxes, and Cash Flow

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 2 \("Financial Statements, Taxes, and Cash Flow"\)](#)

Review the chapter summaries and take the online quiz on the [textbook companion website](#).

Stock Valuation

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 8 \("Stock Valuation"\)](#)

Review the chapter 8 summary and take the online quiz on the [textbook companion website](#).

SkillSoft

You have already completed the following SkillSoft activities. Now is an excellent time to review the lessons and apply them to the current topic:

- [FIN0213: Raising Capital and Financing Decisions](#)

Finance: Part 2

This section will help you prepare for the finance section of the ABC2 objective assessment. You will be reading the required textbook and reviewing the basics of finance used in businesses.

Corporate finance has the following main areas of concern: capital budgeting (what long-term investments the firm should take) and capital structure (where to get the long-term financing to pay for investments), the risk and return of the capital used. In other words, what mixture of debt and equity should be used to fund operations? How should the firm manage its everyday financial activities?

Competencies covered by this subject

964.1.7 - Finance

The graduate understands concepts and procedures associated with finance.

Financial Statements and Long-term Financial Planning

This section discusses calculating financial ratios, returns on equity, and measurements of investment performance.



When you have completed this section, you will be able to

- identify the interrelationships between operating and financial performance using the DuPont equation,
- evaluate and use financial statement benchmarks when doing analysis, and
- work with financial statements to make projections of expected future outcomes.

Working with Financial Statements

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 3 \("Working with Financial Statements"\)](#)

Review the chapter 3 summary and take the online quiz on the [textbook companion website](#).

Long Term Financial Planning and Growth

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 4 \("Long Term Financial Planning and Growth"\)](#)

Review the chapter 4 summary and take the online quiz on the [textbook companion website](#).

SkillSoft

Complete the following SkillSoft module and review the accompanying Job Aids and SkillBriefs:

- [FIN0256: Ratio Analysis for Financial Statements](#)

Future and Present Value of Annuities

This section explains how to value both the present and future values of annuities.

When you have completed this section, you will be able to

- determine the future value of a single sum and an annuity,
- determine the present value of a single sum and an annuity,
- identify the difference between an ordinary annuity and an annuity due, and
- predict financing needs based on growth projections.

Time Value of Money

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 5 \("Introduction to Valuation: The Time Value of Money"\)](#)

Review the chapter 5 summary and take the online quiz on the [textbook companion website](#).

Discounted Cash Flow Valuation

Read the following in *Fundamentals of Corporate Finance*:



- [chapter 6 \("Discounted Cash Flow Valuation"\)](#)

Review the chapter 6 summary and take the online quiz on the [textbook companion website](#). After reading this chapter, you should clearly understand how to calculate discounted cash flow.

SkillSoft

You have already completed the following SkillSoft activities. Now is an excellent time to review the lessons and apply them to the current topic:

- [FIN_01_a01_bs_enus: The Principles of Financial Management](#)

Finance: Part 3

When you have completed this subject, you will be able to:

- use time value of money concepts to calculate the selling price of bonds,
- illustrate the basics of risk and return, and
- use beta and develop the security market line.

Competencies covered by this subject

964.1.7 - Finance

The graduate understands concepts and procedures associated with finance.

Financial Statements and Long-term Financial Planning

This section covers bonds, bond prices, and yields, as well as the history of capital markets.

Interest Rates and Bond Valuation

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 7 \("Interest Rates and Bond Valuation"\)](#)

Review the chapter 7 summary and take the online quiz on the [textbook companion website](#).

Capital Market History

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 12 \("Some Lessons from Capital Market History"\)](#)

Review the chapter 8 summary and take the online quiz on the [textbook companion website](#).

SkillSoft

You have already completed the following SkillSoft activities. Now is an excellent time to review the lessons and apply them to the current topic:

- [FIN0213: Raising Capital and Financing Decisions](#)

Capital Budgeting Decisions

This section explains how decisions are made concerning capital budgets.



When you have completed this section, you will be able to

- use capital budgeting techniques to identify acceptable uses of capital for investments.

Net Present Value and Other Investment Criteria

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 9 \("Net Present Value and Other Investment Criteria"\)](#)

Review the chapter 9 summary and take the online quiz at the [textbook companion website](#). After reading this chapter, you should clearly understand how to calculate NPV, AAR, IRR, and PI.

Discounted Cash Flow Valuation

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 6 \("Discounted Cash Flow Valuation"\)](#)

Review the chapter summary and take the online quiz on the [textbook companion website](#).

After reading this chapter, you should clearly understand how to calculate discounted cash flow.

Project Analysis and Evaluation

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 11 \("Project Analysis and Evaluation"\)](#)

Review the chapter summary and take the online quiz on the [textbook companion website](#).

Return, Risk, and the Security Market Line

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 13 \("Return, Risk, and the Security Market Line"\)](#)

Review the chapter 13 summary and take the online quiz on the [textbook companion website](#). After reading this chapter, you should clearly understand the concept of risk and return.

SkillSoft

Complete the following SkillSoft module and review the accompanying Job Aids and SkillBriefs:

- [FIN0162: The Ins and Outs of Capital Budgeting](#)

Finance: Part 4

When you have completed this section, you will be able to



- calculate the weighted average cost of capital,
- identify the relationship of the required return on an investment and the investment's cost of capital,
- discuss underwriting and its characteristics,
- calculate the cost of selling stock to the public,
- identify the value of a right to a shareholder,
- describe leverage,
- discuss the differences of EBIT and EPS and how each is used,
- identify the optimal capital structure,
- identify the methods used to merge two companies,
- describe two methods used in acquisition, and identify the benefits of each method,
- describe the gains from acquisitions and the costs of an acquisition, and
- identify the defensive strategies used to fend off an acquiring company.

Competencies covered by this subject

964.1.7 - Finance

The graduate understands concepts and procedures associated with finance.

Weighted Average, Cost of Capital, Investment Banking, and Initial Public Offering

This section covers the concepts of weighted average cost, costs of capital, investment banking, and initial public offering.

Cost of Capital

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 14 \("Cost of Capital"\)](#)

Review the chapter summary and take the online quiz on the [textbook companion website](#).

After reading this chapter, you should be able to describe the use of bonds in financing.

Raising Capital

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 15 \("Raising Capital"\)](#)

Review the chapter summary and take the online quiz on the [textbook companion website](#).

Financial Leverage and Capital Structure Policy

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 16 \("Financial Leverage and Capital Structure Policy"\)](#)

Review the chapter summary and take the online quiz on the [textbook companion website](#).

Mergers and Acquisitions

This section explores the world of mergers and acquisitions in business.



When you have completed this section, you will be able to

- identify the methods used to merge two companies,
- describe two methods used in acquisition, and identify the benefits of each method,
- describe the gains from acquisitions and the costs of an acquisition, and
- identify the defensive strategies used to fend off an acquiring company.

Mergers and Acquisitions

Read the following in *Fundamentals of Corporate Finance*:

- [chapter 26 \("Mergers and Acquisitions"\)](#)

Review the chapter summary and take the online quiz on the [textbook companion website](#). After reading this chapter, you should clearly understand the various forms of mergers and the tax and accounting issues surrounding mergers.

SkillSoft

Complete the following SkillSoft module and review the accompanying Job Aids and SkillBriefs.

- [FE0005_eng: Test Prep Final Exam: Advanced Business Finance](#)

Final Steps

Congratulations on completing the activities in this course of study! This section will guide you through the assessment process.

Assessment Information

You are now ready to take the ABC2 Assessment.

Accessing Objective Assessments

For directions on how to receive access to objective assessments, see the "[Accessing Objective Assessments](#)" page.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- [Course Feedback](#)

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU's ADA policy



and process can be viewed in the student handbook at the following link:

- [Policies and Procedures for Students with Disabilities](#)