This course of study outlines a sequence of learning activities designed to help you develop competence in the subject areas of Finance, Accounting, and Information Technology. Your competence will be assessed by a two-task performance assessment (FNT1). Depending on your educational background and work experience, this course of study can take up to twenty-four weeks to complete. It is recommended that you enroll concurrently in FNC1 and FNT1 during the same term. The suggested pacing is provided as a guide to the amount of time you should take to develop competence. Following this document sequentially is an important part of your assessment preparation. Completing your assessments within the required timeline leads to meeting Satisfactory Academic Progress goals and graduation.

Introduction

This course of study is aligned to the FNT1 performance assessment. The same study materials are utilized in the FNC1 objective assessment. If you have previously completed the FNC1 assessment, then you should have already completed the required study activities found in this course of study. You may wish to review the assignments here, but you are not required to repeat these activities. If you have not yet completed the FNC1 assessment, then please proceed through this course of study in full.

Overview

As you begin this course of study, you might ask the question: Why study finance, accounting, and information technology? In today's economy it is imperative that business leaders make sound financial decisions in order for their companies to be profitable and competitive. We live in an information age -- a time of communication and immediate access to information. Providing information about what businesses own, what they owe, and how they are performing is a critical aspect of accounting information. Accounting is an information and measurement system that identifies, records, and communicates relevant, reliable, and comparable information about an organization's activities and investments. Accounting is often called the "language of business" because all organizations set up an accounting information system to communicate data in order to help people make better decisions. The study of finance, accounting, and information technology is a critical component of all business organizations.

At WGU, we have captured common themes around finance, accounting, and information technology in our competency statements and designed this course of study to help you master those competencies. Mastering the competencies will prepare you to successfully pass the FNC1 objective exam and FNT1 performance assessment. As you study the concepts, you will be directed to complete FNT1 task 1 after you finish studying the financial accounting concepts and FNT1 task 2 after completing your managerial accounting preparation.

Once you have successfully completed this course of study, you should be able to analyze the financial condition of a firm using financial ratios and other financial data, as well as correctly apply time value of money techniques and techniques that ignore present value for capital investment decisions. You should also be able to demonstrate the use of information technology tools for specified business purposes. In addition, you should be able to demonstrate the ability to select appropriate technology applications to manage information and make decisions in
given situations.

One of the most anticipated outcomes from your studies will be the help it gives you in putting what you have learned into practice. You will find that the competencies, topics, and activities presented here will have direct application to your professional life. They are designed to empower you with this newfound knowledge so you can put it to work today! Throughout this course you will have an opportunity to share what you have learned and learn from others in our message board, adding a wealth of knowledge and utility to your educational experience as you progress through your program.

Watch the following video for an introduction to this course:

*Note: View the video in full screen at 720p for best results.*

**Competencies**

This course of study covers the following competencies:

**Competency: Financial Statements**
The graduate analyzes historical and budgeted financial data.

**Competency: Ratios**
The graduate determines the financial condition of a firm using financial ratios and other financial data.

**Competency: Capital Budgeting Analysis**
The graduate correctly applies time value of money techniques and techniques that ignore present value for capital investment decisions.

**Competency: Cost Analysis**
The graduate performs cost analysis.

**Competency: Capital Structure**
The graduate determines the most advantageous capital structure for a given situation.

**Competency: Competing with Information Technology**
The graduate determines appropriate uses of information technology in creating strategic advantage.

**Competency: Privacy and Security**
The graduate analyzes privacy and security concerns related to technology in the workplace in terms of their potential impact on business operations, and recommends appropriate countermeasures to satisfy these concerns.

**Competency: Roles and Systems**
The graduate recommends courses of action taking into consideration the role of personnel, hardware, and software components while differentiating between business decision making and information technology management decision making.

**Competency: Information Management**  
The graduate selects appropriate technology applications to manage information and make decisions in given situations.

**Preparing for Success**

The information in this subject 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, competent in the indicated areas, and ready 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.

**Enroll in Learning Resources**

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

Please access your Degree Plan 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 or subscribe through your Degree Plan, please see the "Acquiring Your Learning Resources" document.*

**MyAccountingLab**  
Check to make certain your subscription is active after enrolling. If not, contact your mentor.


**Financial Accounting Standards Boards Database**  
Activities within this course 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: gQSNaxi

**Automatically Enrolled 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.

E-texts are available to you free of charge, 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.

**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.


**SkillSoft and Books 24x7**
You will access the following SkillSoft items within this course of study. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.


*Note: Because you are automatically enrolled in the preceding resources, if they appear in the "Learning Resources" tab, DO NOT click "Show Sections" or "Enroll Now." If you have already done so, contact your course mentor.*

**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.

**Additional Preparation**

There are many different learning tools available to you within your course of study in addition to the learning resources discussed above. Some or all of them may be very useful to you as your progress through this course of study. Take the time to familiarize yourself with them and determine how best to fit them into your learning process.

The following activities and information will help you as you work through this course of study.

**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" document to review these tools.
Activities at a Glance Outline

This course of study includes an "Activities at a Glance" outline to help you briefly visualize the elements of this course of study.

This will also provide general pacing guidelines for your work through the course of study and can be printed and used as a quick checklist for your progress.

**Accounting Fundamentals - Financial Accounting Concepts**

If you have a strong background in accounting coursework or extensive work experience in the accounting field, you should be able to move quickly through the Accounting Primer by taking and passing the Check Out assessments for each chapter.

Accounting is generally called the "language of business." Regardless of the business form (whether it is a profit or non-profit) or its size, the entity will use accounting in some form to determine the success or lack of success of the organization. As you work through this study of both financial and managerial accounting concepts consider this scenario:

You have just graduated from Western Governors University with your BS in one of the business disciplines. You have been hired by your employer of choice, and as an initial project you have been assigned to serve on the budget committee working on the company's annual budget. Do you currently have sufficient accounting expertise to make a contribution in this initial assignment?

Financial statements are the communication tools used by business to show interested parties the results of operations and the financial condition of the company. The interested parties could include owners, lenders, government agencies, and others.

**Financial Accounting Concepts and Procedures**

There are principles, conventions, and assumptions used when completing accounting entries. In this chapter you will be introduced to some of these concepts providing a foundation for the entries that will be made in future work.

When you have completed your study in this unit, you will be able to do the following:

- Apply accounting principles and concepts.
- Use the accounting equation.
- Analyze business transactions.
- Prepare financial statements.
- Use the financial statements to evaluate business performance.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 1 as you review an introduction to accounting concepts, principles, and the accounting cycle.
Introduction to Accounting: The Language of Business

Connecting Your Accounting Fundamentals Study to Life


Click on the Accounting and the Business Environment link above and select "Internet Exercises" from the menu on the left side of the page. Complete option 2. You will use the link in Option 1 to access the Hoovers data base. Select the latest eBay financial results from the listed resources. You do not need to enter an answer on the computer, but keeping some comments in your course of study notes for future review is suggested.

Accounting Fundamentals Message Board

Are you having difficulty in the task? Post a question for peer assistance in the course of study message board. Of course, no answers can be given, but it should be able to offer you some guidance.

As you visit the message board for this topic, look for the subject line "Financial Statements." Specifically address "Why does the Income Statement have to be prepared first?" Post your initial thoughts, then read and respond to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

MyAccountingLab-Horngren Chapter 1

Complete the structured learning steps in the Accounting Primer for this study of the accounting and business environment. When learning about the financial statements, focus on page 22. Financial statements have a particular purpose and must be completed in a set order. Be sure to take note of this important page for future reference in the course of study.

Accounting Fundamentals - Recording Business Transactions

Chapter 2 in Horngren provides information on how to record business transitions. Understanding how a business processes transactions is critical to the study of accounting fundamentals.

Understanding how to record business transactions using debits and credits is one of the most important accounting concepts. It is helpful to employ a methodical approach to analyzing transactions. Think of the questions below as a decision model.

1. Understand the transaction from the source document.
2. Determine the accounts involved from the chart of accounts.
3. Determine if the accounts increased or decreased.
4. Apply the rules of debit and credit for each account's classification (asset, liability, ...)
5. Record in the journal.
The decision model should help you determine the correct accounts to be debited and credited. With repetition and reinforcement, you will quickly find that you are automatically using these steps to journalize correctly.

**Recording Business Transactions**

The first steps of the accounting cycle are covered in chapter 2 of Horngren. The daily work in accounting tends to be repetitive as business events occur. Analyze what happened, journalize the event, and then post the journal entry to the ledger. Repeat the process until the end of the accounting period.

When you have completed your study in this unit, you will be able to do the following:

- Apply the rules of debits and credits.
- Identify how to record to the journal and ledger.
- Create a trial balance.

**Introduction to Accounting: Language of Business**

Use Basic Lessons 1 and 2 to review the accounting concepts and the financial statements you have been studying in the Accounting Primer in MyAccountingLab.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Knowledge With SkillSoft**

Review the following SkillSoft lesson with relevant accompanying Job Aids and SkillBriefs:

- **FIN0121: Accounting Fundamentals**

**Questions/Exercises in the Recording Business Transactions Message Board**

Are you having difficulty in the task? Post a question for peer assistance and input in the course of study message board. Of course no answers can be given, but may be able to offer you some guidance.

As you visit the message board, look for the subject line "Recording Business Transactions." Specifically address the following statement: Give an example transaction for one of the stated formats in the discussion. Post your initial thoughts, then read and respond to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**MyAccountingLab-Horngren Chapter 2**

Complete the structured learning steps in the Accounting Primer for this study of Recording Business Transactions. It is important that you tie the rules of debits and credits to the asset classifications. Note that the chart of accounts has a set format and can be used as a reference list to locate the account needed for recording. The rules of debit and credit and the account classifications must be linked to enhance your understanding.
Adjusting Process

The activities for this subject will complete the study of the accounting cycle. Adjusting entries are required for company’s using accrual accounting. Accrual accounting is required for large companies so these rules apply to all large business entities.

Adjusting entries are used to fulfill the matching principle in accounting. In short, the goal is to match the revenue and expenses of the operating period. This is the essence of accrual accounting. Major corporations are required to use accrual accounting instead of cash basis accounting, which is sometimes preferred by smaller entities.

Adjusting Entries

Large businesses are required to use accrual accounting. The goal of accrual accounting is to match the revenue and expense of the operating period. Adjusting entries are required to ensure this matching principle is met since some items are prepaid and used over time while other items are simply not recorded until the accounting period ends.

When you have completed your study this week you will be able to do the following:

- Distinguish accrual accounting from cash basis accounting.
- Apply the revenue and matching principles.
- Create an adjusted trial balance.
- Identify the importance of the accounting period concept.

Introduction to Accounting: Language of Business

Use Basic Lesson 4 to review the matching principle and the adjusting entries you have been working with. This lesson will be used again in the next topic in this course of study as you study completing the accounting cycle.

- Introduction to Accounting: The Language of Business

Expanding Your Knowledge With SkillSoft

Complete the SkillSoft course with relevant accompanying Job Aids and SkillBriefs:

- FIN0122: Accrual Accounting Procedures

Connecting Your Adjusting Entries Study to Life


Click on the Adjusting Process link above and select “Internet Exercises” from the menu on the left side of the page. Complete options 2 and 3. You do not need to enter an answer on the computer, but keeping notes in your course of study notes for future review is suggested.

Questions/Exercises in the Adjusting Entries Message Board

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but may be able to offer you
some guidance.

As you visit the message board, look for the subject line "Adjusting Entries." Specifically address whether only assets are adjusted and why or why not. Post your initial thoughts, then read and respond to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

MyAccountingLab-Horngren Chapter 3

Complete the structured learning steps in chapter 3 of the Accounting Primer for this study of adjusting entries. Adjusting entries come in two types-prepaid expenses and accruals. Prepaid expenses are recorded as assets and then the amount used during the accounting period is recorded as an expense, essentially shifting the portion of the asset that is expired to the expense. Accrual adjustments are not on the accounting records, but are added to the books when the adjusting entry is done.

**Completing the Accounting Cycle**

The activities in this section will complete the study of the accounting cycle.

After the financial statements are prepared, then the records are closed for the period. The income statement account balances are eliminated through the closing process.

**Last Steps of the Accounting Cycle**

The last steps of the accounting cycle are performed to ready the accounting records for the upcoming accounting period. Large businesses generally report business results on a quarterly basis. Some balances are maintained while others are zeroed out. You will learn the process used in this unit of study.

When you have completed Chapter 4, you will be able to do the following:

- Identify permanent and temporary accounts.
- Perform the closing entries.
- Use the financial statements to evaluate business performance.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 4 as you complete your study of the accounting cycle.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Knowledge With SkillSoft**

Complete the following SkillSoft course with relevant accompanying Job Aids and SkillBriefs:

- **FIN0123: Accounting Systems and Closing Entries**

**Connecting Your Accounting Cycle Completion Study to Life**
Click on the Completing the Accounting Cycle link above and select "Internet Exercises" from the menu on the left side of the page. Complete option 3. You do not need to enter an answer on the computer, but keeping some notes in the course of study notes for future review is suggested.

Questions/Exercises in the Accounting Cycle Completion Message Board

Are you having difficulty in the task? Post a question on the course of study message board for peer input and assistance. Of course no answers can be given, but it may be able to offer you some guidance.

As you visit the message board, look for the subject line "Completion of the Accounting Cycle." Specifically address the following question: Will the balance sheet accounts be closed? Post your thoughts, then read and respond to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

MyAccountingLab-Horngren Chapter 4

Complete the structured learning steps for chapter 4 in the Accounting Primer as you learn how to close the accounting period. Closing entries are performed to get the financial records ready for the next accounting period. Be sure you can identify the accounts that need to be closed, the classification of those accounts, and how the income statement and balance sheet are affected.

Cost Allocation

Now you will study cost allocation of long-term assets. Different allocation methods are available and management decides which provides the most benefit to the business.

Long-term assets will provide economic benefit to a business over multiple accounting periods. Accrual accounting requires that this benefit be recorded as an expense so it is matched against the revenue it supports.

Cost Allocation for Long-Term Assets

Long-term assets are cost allocated to meet the matching principle. The estimated time an asset is expected to provide economic benefit to a business is used as a base to divide the asset cost so it is matched against the revenues of those operating periods.

After completing chapter 9 of Horngren, you should be able to answer the following questions:

- What is the cost of property, plant, and equipment?
- How do I record the cost allocation of a long-term asset?
- How do I record the cost allocation of an intangible asset?

Introduction to Accounting: Language of Business

Review Basic Lesson 8 as you study cost allocation for long term fixed assets.
Introduction to Accounting: The Language of Business

Expanding Your Cost Allocation Knowledge With SkillSoft

Complete the following SkillSoft course with relevant accompanying Job Aids and SkillBriefs:

- **FIN0258: Analyzing an Annual Report**

Connecting Your Cost Allocation Study to Life


Click on the Plant Assets and Intangibles link above and 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). You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Questions/Exercises in the Cost Allocation Message Board

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it may be able to offer you some guidance.

As you visit the message board, look for the subject line "Cost Allocation." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Cost Allocation Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

MyAccountingLab-Horngren Chapter 9

Complete the structured learning steps for chapter 9 in Horngren in the Accounting course as you learn how to cost allocate long-term assets. Be able to identify the different methods available to cost allocate long-term assets to include straight line, double declining balance, and units of output.

Long-Term Liabilities

Long-term liabilities, typically bonds, are used as another source of capital acquisition. You will study different types of bonds, how the price is determined, and the entries made when the interest is paid.

Another way a company can acquire capital is through long-term debt. Bond valuation and recording bonds are covered in this unit of study.

Long-Term Liabilities

Bonds issuers pay interest based on the rate printed on the face of the bond. However, investors will demand the market rate of interest, which changes based on economic conditions.
Bonds will sell at a premium or discount to ensure the bond returns the rate of interest the investor expects based on the market rate at the time.

When you have completed chapter 10 in Horngren, you will be able to do the following:

- Identify the characteristics of specific bond types.
- Determine the price of the bond when sold.
- Record the interest when paid.
- Identify the advantages and disadvantages of issuing bonds versus stock.

Introduction to Accounting: Language of Business

Review Basic Lesson 9 as you study accounting for long term liabilities. In this lesson you will also be introduced to some corporate equity principles which are covered further in Chapters 11 & 12 of the eText.

- **Introduction to Accounting: The Language of Business**

Expanding your Long-Term Liabilities Knowledge With SkillSoft

Complete the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:

- **FIN0213: Raising Capital and Financing Decisions**
- **FIN0251: Principles of Financial Statements**
- **FIN0256: Ratio Analysis for Financial Statements**

Connecting your Long-Term Liabilities Study to Life


Click on the Long-Term Liabilities link above and select "Internet Exercises" from the menu on the left side of the page. Complete options 2 and 3 for International Business Machines. Click on the link to investinginbonds.com. In the middle of the home page for this website scroll down and click on the Corporate market link. Enter IBM in the search box and use the search results for the calculations for options 2 and 3. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Questions/Exercises in the Long-Term Liabilities Message Board

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Long-Term Liabilities." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Long-Term Liabilities Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students.
Complete the structured learning steps for chapter 10 in MyAccountingLab. Be sure to add the appendix for Chapter 10 to your study. You will learn the time value of money concepts needed to determine the selling price of a bond.

**Paid in Capital and Balance Sheet**

Now you will study corporate equity reporting and the balance sheet effects.

Corporate equity reporting must be different from the sole proprietorship and partnership accounting since a corporation can have infinite life. The contributed capital and earned capital are accounted for and reported separately. The reward of ownership is a dividend and potential increase in the worth of the stock owned.

**Corporations: Paid-In Capital and the Balance Sheet**

Corporations are owned by shareholders. These investors provide capital for the operations of the business in hopes of getting a return from two potential sources: increased share value and dividends.

After completing chapter 11 in Horngren, you should be able to answer the following questions:

- How do I record the issuance of shares of stock?
- How do I differentiate between common and preferred stock?
- What is done on each of the dates associated with a dividend?

**Expanding Your Knowledge With SkillSoft**

Complete the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:

- FIN0213: Raising Capital and Financing Decisions
- FIN0222: Accounting for Corporations

**Connecting Your Corporate Equity Study to Life**


Click on the Corporations: Paid-In Capital and the Balance Sheet link above and 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 1). You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

**Questions/Exercises in the Corporate Equity Message Board**

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

As you visit the message board, look for the subject line "Corporate Equity." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Corporate Equity Study to Life" activity.
While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**MyAccountingLab-Horngren Chapter 11**

Complete the structured learning steps for Chapter 11 in the Accounting course as you learn the equity terminology related to legal capital, issuing shares, and dividends.

**Retained Earnings and the Income Statement**

During this subject you will continue your study of corporate equity as you study stock dividends, stock splits, treasury stock, and the retained earnings account.

In chapter 12 of Horngren, many more concepts related to corporate equity and stockholder ownership are discussed. Shareholders expect some type of return for their investment -- for some it would be a dividend, for others they seek market value growth, and for the rest they want both.

**Retained Earnings and the Income Statement**

Shareholders can receive an investment return in many forms including cash dividends, stock dividends, and stock splits. Some of these impact retained earnings, some do not. You will discover the ways to record these events as you work through the material in chapter 12 in Horngren.

When you have completed chapter 12, you will be able to do the following:

- Record cash dividends, stock dividends, and stock splits.
- Account for treasury stock.
- Account for retained earnings based on many transactions that impact this account.
- Use the income statement results, calculate the earnings per share, and know what it means.

**Introduction to Accounting: Language of Business**

Review the equity coverage in Basic Lesson 9 to reinforce your study of the corporate equity concepts covered in Chapters 11 and 12 of the eText.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Knowledge With SkillSoft**

Review the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:

- **FIN0213: Raising Capital and Financing Decisions**
- **FIN0222: Accounting for Corporations**

**Connecting Your Retained Earnings Study to Life**

Click on the Corporations: Retained Earnings and the Income Statement link above and 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 1). You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

**Questions/Exercises in the Retained Earnings Message Board**

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but you should be able to receive some guidance.

As you visit the message board, look for the subject line "Retained Earnings." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting your Retained Earnings Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**MyAccountingLab-Horngren Chapter 12**

Chapter 12 in Horngren discusses additional corporate equity issues that support Task 2. Work through the structured lesson for chapter 12. The focus in this unit will be on stock (non-cash) dividends, treasury stock, and other retained earnings issues.

**Statement of Cash Flows**

In this section, you will study the fourth required financial statement. It is important to consider how the Statement of Cash Flows interrelates with and reacts to changes in the balance sheet and income statement accounts.

The Statement of Cash Flows is the fourth required financial statement. It can be completed in two ways. In your study you should review both options.

**The Statement of Cash Flows**

The Financial Accounting Standards Board has approved two different preparation methods for this statement: direct and indirect. The direct method is the preferred approach, but most companies prepare the statement using the indirect approach. The three activities reported are the same. In both methods, the investing activities and financing activities are presented identically. The major difference is in the operating activities presentation.

When you have completed chapter 13 in Horngren, you will be able to do the following:

- List the components that comprise a typical financial statement.
- Describe how changes to a company's revenue and expenses affect their income statement.
- Know how changes in income statement and balance sheet data affect a statement of cash flows.
View the Video

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Click on the link above and view the chapter 15 video.

Introduction to Accounting: Language of Business

Review Basic Lesson 2 as you study the Statement of Cash Flows.

- **Introduction to Accounting: The Language of Business**

Expanding Your Statement of Cash Flows Knowledge With SkillSoft

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **fin_01_a04_bs_enus: Financial Statements**

Connecting Your Statement of Cash Flows Study to Life


Click on the Statement of Cash Flows link above and 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 1). Some other options for your search include CSCO, DELL, MSFT, GE, XON, or any other company you choose. Modify your search as necessary to find the information. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

**Questions/Exercises in the Statement of Cash Flows Message Board**

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Statement of Cash Flows." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Statement of Cash Flows Study to Life" activity. Be sure to identify the company you chose.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**MyAccountingLab-Horngren Chapter 13**

Chapter 13 discusses the Statement of Cash Flows. Work through the structured lesson for chapter 13 in Horngren. The Statement of Cash Flows has three activities reported on it: operating, investing, and financing. It is important to understand what is reported in each activity and how to arrive at the balances for each one.

**Financial Statement Analysis**
Now you will study some financial statement analysis tools including horizontal, vertical, and ratio analyses.

Your study of financial accounting principles concludes in this unit. All of the principles, assumptions, rules, and logic have a purpose—to present a set of financial statements that can be analyzed by a variety of users. These users include investors, managers, and loan officers. This chapter presents tools to accomplish this analysis.

**Horizontal and Vertical Analyses**
An analysis should never be done based on only one analysis tool. Sufficient data must be analyzed to ensure that a full view of the company's financial well-being is achieved to include its internal financial health, as well as how it compares to other companies in the same or related business.

When you have completed chapter 14 in Horngren, you will be able to do the following:

- Complete the horizontal and vertical analyses.
- View the results of the analyses from the perspective of various stakeholders.

**View the Video**

**URL:** [http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html](http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html)

Click on the link above and view the chapter 16 Financial Statement Analysis video.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 10 and the Hot Cars, Inc. example as you study financial statement analysis. Remember that any ratios used in the performance assessment task must be based on the Horngren eText.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Horizontal and Vertical Analyses Knowledge With SkillSoft**

Complete the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:

- **FIN0253: Analyzing the Income Statement and Balance Sheet**
- **FIN0254: The Income Statement and Balance Sheet Connection**
- **FIN0258: Analyzing an Annual Report**

**Connecting Your Horizontal and Vertical Analyses Study to Life**


Click on the Financial Statement Analysis link above and 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 1). Choose another company if you want. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.
Questions/Exercises in the Horizontal and Vertical Analyses Message Board

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Horizontal and Vertical Analyses." Post your one-paragraph comment about your findings from the internet exercise in the "Connecting Your Horizontal and Vertical Analyses Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

MyAccountingLab-Horngren Chapter 14

Complete chapter 14 in MyAccountingLab-Horngren. Here you will study how financial statement analysis using different methods is done.

Ratio Analysis

Ratio analysis allows management to focus on particular areas in the financial statements. The ratios can be compared with previous accounting periods, industry performance, and individual competitors.

When you have completed chapter 14 in Horngren, you will be able to do the following:

- Work with liquidity ratios and determine their usefulness in decision-making.
- Work with performance ratios and determine their usefulness in decision-making.
- View the ratio analysis from the perspective of various stakeholders.
- Work with investment utilization ratios and determine their usefulness in decision-making

View the Video

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Click on the link above and view the chapter 16 Financial Statement Analysis video.

Expanding Your Ratio Analysis Knowledge With SkillSoft

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- FIN 0256: Ratio Analysis for Financial Statements
  (Use this SkillSoft lesson for additional guidance. The ratios in the task must be calculated using the Horngren formulas.)

Connecting Your Ratio Analysis Study to Life


Click on the Financial Statement Analysis link above and 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 1). Choose another company if you want. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Questions/Exercises in the Ratio Analysis Message Board

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Ratios." Post your one-paragraph comment about your findings from the internet exercise in the "Connecting Your Ratio Analysis Study to Life" activity.

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

MyAccountingLab-Horngren Chapter 14

Continue in Chapter 14 in MyAccountingLab-Horngren. The 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 the other companies in the same industry, or with the market? Remember, you are concerned with more than just calculating the values. You also need to consider the usefulness of the information and what it tells each user.

Introduction to Managerial Accounting

Now you will begin building your competence in the managerial accounting concepts. Financial accounting is designed to follow generally accepted accounting principles, which create a reporting format for company financial statements. Managerial accounting is primarily concerned with cost controls and helping managers manage better.

The study of managerial accounting begins with identifying the users and classifying the costs by business type.

Introduction to Managerial Accounting

Generally, businesses do not have a lot of pricing power due to competition. The emphasis is placed on identifying the product costs and attempting to eliminate some of the cost to improve company earnings.

When you have completed chapter 15 in Horngren, you will be able to do the following:

- Identify the differences between financial accounting and managerial accounting.
- Classify costs by different business types.

View the Videos

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html
Click on the link above and view the chapter 1 and chapter 2 videos ("The Need for Managerial Accounting Information" and "Classifying Costs for Decision-Making").

Introduction to Accounting: Language of Business

Review Basic Lesson 11 as you begin studying managerial accounting concepts.

- **Introduction to Accounting: The Language of Business**

Expanding Your Knowledge With SkillSoft

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **FIN 0241: Overview of Managerial Accounting**

Connecting Your Introduction to Managerial Accounting Study to Life


Click on the Introduction to Management Accounting link below and select "Internet Exercises" from the menu on the left side of the page. Complete option 2. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Questions/Exercises in the Introduction to Managerial Accounting Message Board

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Introduction to Management Accounting." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Introduction to Managerial Accounting Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts

**MyAccountingLab-Horngren Chapter 15**

Work through the structured learning for chapter 15 in Horngren in MyAccountingLab. Study the basic cost terminology of managerial accounting including direct costs, indirect costs, direct materials, direct labor, manufacturing overhead, and conversion costs.

**Job Order Costing and Process Costing**

The two topics in this section focus on how to measure and account for costs in two different production styles. Management needs to project the future success or failure of company operations. Managerial accounting is primarily concerned with cost controls and helping managers manage better.
Job-order costing is used in situations where the organization offers many different products or services, such as in furniture manufacturing, hospitals, and legal firms.

Process production is the mass production of products in a continuous flow of steps. Understanding the process for companies with process operations is critical for measuring their costs.

**Job Order Costing**

Job order costing is used to accumulate the costs that go into a discrete productive unit. A home builder would use this costing method.

When you have completed chapter 16 in Horngren, you will be able to do the following:

- Explain the cost accounting system.
- Describe features of job order production.
- Describe and record the flow of material, labor, and overhead costs.
- Determine adjustments for over-applied and under-applied factory overhead.

**View the Video**

**URL:** [http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html](http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html)

Click on the link above and view the chapter 3 Job Order Costing video.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 12 as you continue your concept coverage in managerial accounting.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Job Order Costing Knowledge with SkillSoft**

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **FIN0244: Cost Accounting Decisions**

**Connecting Your Job Order Costing Study to Life**


Click on the Job Order Costing link above and 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 1). Use a different company if you want. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

**Questions/Exercises in the Job Order Costing Message Board**

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.
As you visit the message board, look for the subject line "Job Order Costing." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Job Order Costing Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**MyAccountingLab-Horngren Chapter 16**

Complete the structured learning steps in chapter 16 of the Accounting course in MyAccountingLab. During your study identify the three costs of a product and be able to illustrate how the costs are entered and then moved through the accounting system.

**Process Costing**

Process production is the mass production of products in a continuous flow of steps. Understanding the process for companies with process operations is critical for measuring their costs.

When you have completed chapter 16 in Horngren, you will be able to do the following:

- Compute equivalent units.
- Use process costing techniques to assign cost to units in both work in process inventory and finished goods inventory.
- Explain the difference between job costing and process costing.

**View the Video**


Click on the link above and view the chapter 4 Process Costing video.

**Connecting Your Process Costing Study to Life**

Selected company websites appear below. Review the information about the operations of one of the companies from their website and decide whether the company would be likely to use a process costing system. Write a brief summary (one paragraph) about your findings, describing the reasons why the company most likely would or would not use process costing. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

- Biolea ([http://www.biolea.gr](http://www.biolea.gr)).
- Evian ([http://www.evian.com](http://www.evian.com)).
- Gulf Craft Inc. ([http://www.gulfcraftinc.com](http://www.gulfcraftinc.com)).

**Questions/Exercises in the Process Costing Message Board**

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you
some guidance.

As you visit the message board, look for the subject line "Process Costing." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Process Costing Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**MyAccountingLab-Horngren Chapter 16**

Continue your work in the structured learning steps in chapter 16 of the FNC1 course in MyAccountingLab. Process costing is used for mass produced items like candy bars. Each bar that has chocolate, nougat, caramel, and peanuts would be made in an assembly line process. Be sure to you can compute equivalent units and arrive at the cost per unit.

**Activity Based Costing**

In this section, you will study Activity Based Costing (ABC). ABC is used to allocate costs to products in a more precise method using cost drivers.

Traditional cost accounting methods suffer from several defects that can result in distorted costs for decision-making purposes. The activity based costing system is designed to correct these traditional costing methods deficiencies by assigning costs to the productive unit that used the resource.

**Activity Based Costing**

Activity based costing is a method used to more accurately allocate the cost to the product that is using the cost. For instance, a company might have five products being produced and each one requiring a different amount of forklift moves during production. Using ABC, the cost per forklift move would be determined and then that cost would be assigned based on the demand of each individual product.

When you have completed chapter 17 in Horngren, you will be able to do the following:

- Develop activity based costs (ABC).
- Use activity based management (ABM) to achieve target costs.
- Describe a just-in-time (JIT) production system, and record its transactions.

**View the Video**


Click on the link above and view the chapter 8 ABC Overview video.

**Expanding Your Activity Based Costing Knowledge With SkillSoft**

Complete the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:
• FIN0161: Creating and Analyzing an Operating Budget
• FIN0244: Cost Accounting Decisions

Connecting Your Activity Based Costing Study to Life


Use the Science Channel link above to access some short clips from the "How It's Made" television program. The link will show a short promotional video first. A product video will begin showing immediately thereafter. You can select a different product that is interesting to you from a tabulated list on the right.

View a video. Write a brief summary that identifies the product and if activity based costing would benefit the company with improved product costing or if one of the traditional approaches is sufficient. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Questions/Exercises in the Activity Based Costing Message Board

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

As you visit the message board, look for the subject line "Activity Based Costing." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting your Activity Based Costing Study to Life" activity.

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

MyAccountingLab-Horngren Chapter 17

Complete the structured learning steps for chapter 17 in the Accounting course as you learn about how activity based costing is used to more accurately determine product cost. There are two stages of allocation when using ABC. Be sure you understand the differences.

Cost-Volume-Profit

This section focuses on how to measure and account for costs in process operations. The second chapter in the unit focuses on projecting future results. Management needs to project the future success or failure of company operations. This unit has some practical methods to find this useful information.

Planning a company's future activities and events is a crucial phase in successful management. One of the first steps in planning is to predict the volume of activity, the costs to be incurred, sales to be made, and profit to be received. One tool that management uses to carry out these steps is cost-volume-profit (CVP) analysis.

Cost-Volume-Profit Analysis

Managers need to predict the success the expected success of the business. Using CVP techniques the breakeven point can be determined. Multiple estimation methods are studied in
this unit.

When you have completed chapter 18 in Horngren, you will be able to do the following:

- Describe different types of cost behavior in relation to production and sales volume.
- Identify assumptions in CVP analysis and explain their impact.
- Describe applications of CVP analysis.
- Determine cost estimates using various methods.
- Compute the break-even point for a single product.
- Graph costs and sales for a single product.
- Compute the break-even point for a multiproduct company.

View the Video


Click on the link above and view the chapter 6 Cost-Volume-Profit Relationships video.

Introduction to Accounting: Language of Business

Review Basic Lesson 13 as you study how cost information is used to make business decisions related to breakeven analysis and target profits.

- **Introduction to Accounting: The Language of Business**

Expanding your CVP Knowledge With SkillSoft

Review the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **FIN0244: Cost Accounting Decisions**

Connecting your CVP Study to Life:


Click on the Cost-Volume-Profit Analysis link above and select "Internet Exercises" from the menu on the left side of the page. Complete options 1 and 2 (a and c). You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Questions/Exercises in the CVP Message Board

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

As you visit the message board, look for the subject line "C-V-P." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your CVP Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students.
Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**MyAccountingLab-Horngren Chapter 18**

Complete the structured learning steps in chapter 18 of the Accounting course in MyAccountingLab. Be sure to review break-even points based on units and sales dollars, how to arrive at contribution margin, and the techniques used to do the high-low method. Being able to graph a presentation of the data is also an important skill.

**Capital Investment Decisions and the Time Value of Money**

Now you will study time value of money and some techniques used to determine the best way of using available investment capital.

You will use your competence gained from your study efforts in the activities in this topic and the material in chapter 20 to complete FNT1 Task 319.1.3 in TaskStream as directed in the next topic.

**Capital Investment Decisions**

In this unit you study capital investment decisions and techniques. Be sure to study time value of money techniques thoroughly.

When you have completed this unit you will be able to answer the following questions:

- The present value of a signal sum and of an annuity.
- The future value of a signal sum and of an annuity.
- Should an investment be considered as an option after using the capital budgeting analysis techniques?

**View the Video**

**URL:** [http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html](http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html)

Click on the link above and view the chapter 14 Capital Budgeting Decisions video.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 14 and Expanded Lesson 7 as you work with time value of money and capital budgeting techniques that are used in the business to help determine the best options for using the limited resource - capital.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Capital Investment Decisions Knowledge With SkillSoft**

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- FIN0242: Managerial Decisions and Capital Budgeting

**Connecting Your Capital Investment Decisions Study to Life**
Perform an Internet search using the subject "joint costs." Find an article that identifies a raw material that outputs multiple main products. Write a brief summary of your findings (your critique should provide the appropriate citation for the article; if necessary, you may wish to refer to the following website, which includes information about citations: http://www.cod.edu/library/research/citenet.htm). You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Questions/Exercises in the Special Decisions and Capital Budgeting Message Board

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but should be able to offer you some guidance.

As you visit the message board, look for the subject line "Capital Investment Decisions." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Capital Investment Decisions Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. MyAccountingLab-Horngren Chapter 20

Complete the structured learning steps for chapter 20 in the Accounting course. You should be able to identify and use the four capital budgeting techniques presented in the chapter.

Budgeting: The Master Budget

The master budget is a static forecast based on one expected sales level. It is the financial plan for the expected sales and production needs for the budget period.

A budget is a formal statement of a company's future plans. At some point all managers should be involved in the process of planning a company's future activities.

The Master Budget

The master budget is a series of smaller budgets beginning with sales projections and ending with pro forma financial statements, which show the expected outcomes at the end of the budgeted period.

When you have completed chapter 21 in Horngren, you will be able to do the following:

- Learn how to use a budget.
- Prepare an operating budget.
- Prepare a financial budget.
- Prepare performance reports for responsibility center.

View the Video

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Click on the link above and view the chapter 9 The Budget Process video.
Introduction to Accounting: Language of Business

Review Basic Lesson 14 as you study budgeting concepts.

- **Introduction to Accounting: The Language of Business**

Expanding Your Knowledge With SkillSoft

Review the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **FIN0161: Creating and Analyzing an Operating Budget**

Connecting Your Master Budget Study to Life


Click on the The Master Budget and Responsibility Accounting link above and 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 1). You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

**Questions/Exercises in the Master Budget Message Board**

Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

As you visit the message board, look for the subject line "Master Budget." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Master Budget Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**MyAccountingLab-Horngren Chapter 21**

Complete the structured learning steps for chapter 21 in the Accounting course as you study the master budget process. Be sure to identify the steps in the process and what is necessary to begin the master budget. Then answer the question: what is budgetary slack?

**The Flexible Budget and Standard Costs**

The flexible budget is very useful when comparing the established production standards against the actual costs incurred.

In chapter 22 you will work with standard setting and the analysis of actual differences from standards that occur in production.
Flexible budgeting can be used when the master budget is produced to show the expected results if there are deviations from the expectations in the static master budget. Flexible budgets are also used to analyze the production based on standards after the period is over so that performance variations can be analyzed and corrected.

When you have completed chapter 22 in Horngren, you will be able to do the following:

- Create a flexible budget.
- Perform a variance analysis of the materials, labor, and overhead.
- Record transactions at standard cost.

View the Video


Click on the Flexible Budgets link above and view the chapter 10 Flexible Budget video and the Chapter 11 video on Setting Standards.

Introduction to Accounting: Language of Business

Review Expanded Lesson 14 as you study the flexible budget, setting standards, and variances.

- [Introduction to Accounting: The Language of Business](http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html)

Expanding your Flexible Budget and Standard Costs Knowledge with SkillSoft

Review the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- [fin_01_a02_bs_enus: The Basics of Budgeting](http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html)

Connecting Your Flexible Budget and Standard Costs Study to Life

Take a tour and learn how chocolate is made.

Keep in mind that you will need to post your reply to one of these questions:

- What types of specific factory overhead costs might the company incur?
- If the company prepared a flexible budget, which specific types of costs might be variable? Fixed?
- On what basis might factory overhead costs be applied to the products as they are produced?

Tour #1: Hershey's Factory Tour

**Company Overview:** A manufacturer of chocolate from cocoa beans.

**Managerial Accounting Topic(s):** manufacturing technology and food processing


You will use your findings from your chocolate experience when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Questions/Exercises in the Flexible Budget and Standard Costs Message Board
Are you having difficulty in the task? Post a question in the course of study message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

Visit the message board. Look for the subject line “Flexible Budget and Standard Costs.” Post your reply to the chocolate question here. Take the time to collaborate with your peers by reading and responding to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**MyAccountingLab-Horngren Chapter 22**

Complete the structured learning steps in chapter 22 of the Accounting course in MyAccountingLab. Standards are established so that there is a cost plan for the product being made. A deviation from the standard is called a variance. Be sure to consider if a variance is favorable or unfavorable. Consider whether or not you think a favorable variance is necessarily good.

**Information Technology I: Competing With Information Technology**

Information technology plays a key role in developing corporate strategies and competitive advantage. In this section you will learn about the fundamentals of information systems and how businesses can complete more effectively by harnessing the power of information systems.

Businesses today need to take advantage of any and all techniques to succeed in today's competitive environment. They hire the best in the market, review and improve their processes, and look for strategic changes and improvements. The key to success with these functions is using the newest and best technology solutions. These solutions need to be well integrated to existing transactional systems as well as to the Internet, to customers, suppliers, and vendors.

**Competing With Information Technology**

A company's use of information technology can provide a competitive advantage. During the study in this unit you will discover how a company can use IT to compete, and beat, the competition.

By the end of this section's activities, you will be able to do the following:

- List the standard components of information systems.
- Describe how information systems support an organization's business processes.
- Describe the primary roles and responsibilities of information technology personnel in an organization.
- Describe information technology strategic planning and how it differs from business management strategy planning.
- Describe software applications that support specific tasks or functions.
- Describe how information technology (specifically internet strategies) can be used to
develop competitive strategies in an organization.
- Determine how information technology is used to re-engineer business processes.
- Determine if creating a virtual company provides a company with a competitive advantage.

Competing With Information Technology

Read the following in the *Introduction to Information Systems* text:

- chapter 2 ("Competing with Information Technology")

The goal in reading this chapter is to determine the following:

- List several strategic uses of information technology.
- Describe a customer-focused business.
- Describe how technology supports business process re-engineering.
- Describe the aspects of an agile company.
- Define a virtual company and list technology they tend to use.

Computer Software

Read the following in the *Introduction to Information Systems* text:

- chapter 4 ("Computer Software")

The goal in reading this chapter is to determine the following:

- Clarify the difference between systems software and application software.
- Describe enterprise applications and list their advantages and disadvantages for companies.

Chapter Quizzes


Review what you have learned in the previous three activities. Review the multimedia presentation summary of the chapters and answer the multiple-choice quizzes and true-false questions on the textbook companion website at the above link. Look up those questions you did not answer correctly in the textbook and add the correct answers to your notes.

Visit the Message Board

Share your thoughts, questions, or ideas on the message board.

Foundations of Information Systems in Business

Read the following in the *Introduction to Information Systems* text by O'Brien and Marakas:

- chapter 1 ("Foundations of Information Systems in Business")

The goal in reading this chapter is to determine the following:
• Understand the concepts of a system and how it relates to information systems.
• Explain why knowledge of information systems is important for business professionals.
• List major types of information systems.
• List ethical challenges that accompany the use of information systems.

Information Technology II: Databases and Networks

Databases, networks, and e-commerce are increasingly important to businesses. As firms collect more data, they must take steps to keep their data secure. In this section you will review how data is managed and used as well as how it is communicated across vast expanses.

Way back when, all a company had to worry about was how to get their transactional data (invoices, purchase orders, work time, etc.) collected and saved in files. Then someone thought that perhaps there was value in looking at summaries and exceptions to trends that the data could provide. This was the start of databases, which provide great quantities of data in summarized fashion to analysts. Analysis reports and graphs, queries and dashboards became common-place and a required way of doing business. Now, with advanced technology it is possible to share this information around the world with suppliers, customers, field personnel, etc. In this section you will explore what this technology is and how it works.

Databases and Networks

In this section you will explore what database and network technology is and how it works.

As you work through these topics keep in mind the following concepts:

• Describe networking alternatives and the advantages and disadvantages to each.
• How can using a database management approach to managing data resources be an advantage to an organization?
• Describe data retention or destruction policies.
• Explain the concept of client/server networking.
• Explain the business value of e-commerce marketplaces.
• Describe the correct use of an information portal in an organization.

Telecommunications and Networks

Read the following in Introduction to Information Systems:

• chapter 6 ("Telecommunications and Networks")

The goal in reading this chapter is to be able to answer the following questions:

• What does the term telecommunications mean?
• What is the business use of an intranet? An internet? An extranet?
• What is the concept of client/server architecture?
• What are the fundamentals of wide area network (WAN), local area network (LAN), and wireless network?

Electronic Commerce Systems
Read the following in *Introduction to Information Systems*:

- chapter 8 ("e-Commerce Systems").

The goal in reading this chapter is to be able to answer the following questions:

- What are the major trends in e-commerce applications?
- What are the general processes of e-commerce?
- What is the business value in the use of e-commerce?
- What are the benefits and trade-offs in using e-commerce to a business?

**Chapter Quizzes**


Review what you have learned in the previous three activities. Review the multimedia presentation summary of the chapters and answer the multiple-choice quizzes and true-false questions on the textbook companion website linked above. Look up those questions you did not answer correctly in the textbook and add the correct answers to your notes.

**SkillSoft Module**

Complete the following module in SkillSoft:


**Visit the Message Board**

Share your thoughts, questions, or ideas on the message board.

**Data Resource Management**

Read the following in *Introduction to Information Systems*:

- chapter 5 ("Data Resource Management")

The goal in reading this chapter is to determine the following:

- Explain the difference between a file and a database.
- Explain the business value of a data resource management process.
- Explain how a database supports business processes.
- Explain the difference between a database and a data warehouse.

**Information Technology III: Roles and Systems, Part 1**

Information technology plays a key role in developing corporate strategies and competitive advantage.

Just look at a website listing jobs for hire. There are more diversified positions listed every year. As technology introduced new functionality, new roles have developed to ensure the best use of
Roles and Systems
In this section you will review the new applications and the organizational changes that occur in response to the changes in technology.

As you work through these topics keep in mind the following concepts:

- How do the roles and responsibilities of information technology management and business management differ in an organization?
- How can the application of decision support systems, business intelligence, or knowledge management systems help a business achieve their goals?
- What is an enterprise system?

Developing Business/IT solutions

Read the following in *Introduction to Information Systems*:

- chapter 10 ("Developing Business/IT Solutions")

The goal in reading this chapter is to be able to answer the following questions:

- What is meant by SDLC? How does that compare to stages in project management?
- What are the various types of project management tools (i.e. Gantt Chart)?
- What is the role of the project manager? Of the project sponsor?
- How does the project manager track the progress of a project?
- What is required to ensure excellent communications across the team and at all levels?
- How would you list and rate the several system conversion strategies?
- What is the role of change management?

Enterprise and Global Management of IT

Read the following in *Introduction to Information Systems*:

- chapter 12 ("Enterprise and Global Management of Information Technology")

The goal in reading this chapter is to be able to do the following:

- Explain how failure in IT management can be reduced by the involvement of business managers in IT planning.
- Describe the difficulties in managing global IT teams.
- Describe methods for managing an IT team.

Chapter Quizzes


Review what you have learned in the previous three activities. Review the multimedia presentation summary of the chapters and answer the multiple-choice quizzes and true-false...
questions on the textbook companion website linked above. Look up those questions you did not answer correctly in the textbook and add the correct answers to your notes.

Visit the Message Board

Share your thoughts, questions, or ideas with the message board.

Decision Support Systems

Read the following in *Introduction to Information Systems*:

- chapter 9 ("Decision Support Systems")

The goal in reading this chapter is to determine the following:

- List the systems that provide analytical information to executives.
- Explain how a decision support system differs from a transaction based system.
- Describe how expert systems change the decision-making processes.
- Understand the role of decision support systems.
- List various types of output of decision support systems.

Information Technology IV: Roles and Systems, Part 2

Information technology plays a key role in developing corporate strategies and competitive advantage.

It is hard to go a month without some Internet virus scare or an article about how a business was the victim of cybercrime. The stakes are higher now with general access of our servers to the Internet. We need to keep our business data safe, yet highly available to those with permission. We want to target market our customers, yet keep their personal data safe from others and restrain ourselves from using their personal information for our purposes, which may not be in line with the "understood" use of the data. In this section you will review methods to protect a business and engage in ethical uses of data.

Privacy and Security

In this unit you will analyze privacy and security concerns related to technology in the workplace in terms of their potential impact on business operations, and recommends of appropriate countermeasures to satisfy these concerns.

As you work through these topics keep in mind the following questions:

- What are ethical considerations for using information technology in an organization?
- What are information security risks inherent to an organization?
- How do organizations prevent internet-based attacks on their technology infrastructure?
- What are effective disaster recovery methods?
- What are examples of a security breach in an organization?

Chapter Quizzes

URL: http://highered.mcgraw-hill.com/sites/0073376779/student_view0/index.html
Review what you have learned in the previous activity. Review the multimedia presentation summary of the chapter and answer the multiple-choice quizzes and true-false questions on the textbook companion website linked above. Look up those questions you did not answer correctly in textbook and add the correct answers to your notes.

**SkillSoft Module**

Complete the following module in SkillSoft:


**Visit the Message Board**

Share your thoughts, questions, or ideas with the message board.

**Security and Ethical Challenges**

Read the following in *Introduction to Information Systems*:

- [chapter 11 (“Security and Ethical Challenges”)](#)

The goal in reading this chapter is to be able to answer the following questions:

- What security risks are associated with the use of data in a business?
- What ethical risks are introduced with the use of data in a business?
- What security measures should be implemented?
- What is the role of the business user in terms of keeping data safe and using it ethically?

**Conclusion**

Congratulations! You have completed a rigorous course of study on finance, accounting, and information technology. You have probably found many applications to your work experience from the material presented in this course of study. Hopefully, many of these applications or tools have been captured in your journal and can be used for future reference in your profession.

**Review of Major Points**

During the time spent using this course of study, you have completed a study of basic accounting rules and procedures and the four required financial statements, expanded that knowledge to corporate equity issues and debt, and ended with completing financial statement analysis.

Your study continued with managerial accounting. As you discovered, this very different form of accounting is designed to help managers become more efficient through improved decision-making techniques and cost controls.

To conclude the content, you studied the importance of information technology to a business and its success. Security, privacy, and ethical issues were part of your work.

**Transfer/Application**

At the beginning of the first unit, a scenario was presented about your assignment to the budget...
committee in your new job as a business graduate. You were asked if you had sufficient knowledge to contribute. You probably had some doubts about your abilities and the possibility of making a "bad" first impression to your peers. Compare how you felt then to the confidence level you have now. Go out and make a contribution knowing that you have prepared yourself well.

**FNT1 Performance Assessments**

The FNT1 performance assessment tasks will use much of the knowledge you gained from your study for the FNC1 objective assessment. It is highly recommended that students prepare for and pass the objective assessment prior to work beginning on the FNT1 performance assessment.

**Completion of FNT1 Task 319.1.2-04, 2.1-01-03**

In your first performance assessment, you will complete the financial statement analysis task, Task 319.1.2-04, 2.1-01-03. After completing the activities in this section, you will be able to answer the following questions:

- How do I calculate a firm's financial condition by using analyses and ratios?

**Review the Major Points in Your Study**

Carefully read the instructions given for the task in the TaskStream instructions. At this point on the course of study, you should have developed competency in financial accounting. A review of the main content areas is appropriate as you prepare to complete Task 319.1.3-04, 2.1-01-03. It is highly recommended that the student review chapters 11, 12, and 14 prior to beginning work on the task.

**Supplemental Instruction:**

In the task you are instructed to complete the Payback method. Your answer is to be presented in number of years and the number of full months it will take to recover the investment. The Horngren text presents the computation in years only i.e 3.2 years. At the link below there is a short tutorial on converting a partial year to a monthly equivalent.

[www.screencast.com/t/Lz5jiuO1](http://www.screencast.com/t/Lz5jiuO1)

**Complete the Financial Statement Analysis Task**

**URL:** [http://www.taskstream.com](http://www.taskstream.com)

Self score your task using the scoring rubrics in TaskStream. In TaskStream, each task has a posted scoring rubric. Review your work using the provided scoring rubric, which is the same rubric that the grader uses to score your task. Make sure that your work meets the minimum requirements as set out by the scoring rubric.

Submit your task to TaskStream to be graded. After a few days, check on the status of your task. If the grader did not give you a passing grade for your task you can review, revise, and resubmit with corrections. If there are any areas where you do not understand a concept, please check with the course mentor for assistance. If you do not pass the assessment within two
Completion of FNT1 Task 319.1.3-01-10, 2.1-04, 2.5-05

Now that you have completed your study of the managerial accounting concepts, it is time for you to apply your knowledge by completing Task 319.1.3-01-10, 2.1-04, 2.5-05. Carefully read the instructions given for the task in the TaskStream instructions.

After completing this week's activities, you will be able to determine:

- Whether an investment should be considered using the capital budgeting analysis techniques.

Review of Major Points in Your Study

Carefully read the instructions given for the task in the TaskStream instructions. At this point on the course of study, you should have developed competency in managerial accounting. A review of the main content areas is appropriate at this point as you prepare to complete Task 2. It is highly recommended that the student review the Statement of Cash Flows (Chapter 13) and Capital Budgeting (Chapter 20) prior to beginning the task.

Complete the Managerial Accounting Task

URL: http://www.taskstream.com

Self score your task using the scoring rubrics in TaskStream. In TaskStream, each task has a posted scoring rubric. Review your work using the provided scoring rubric, which is the same rubric that the grader uses to score your task. Make sure that your work meets the minimum requirements as set out by the scoring rubric.

Submit your task in TaskStream to be graded. After a few days, check on the status of your task. If the grader did not give you a passing grade for your task, your course mentor will send it back to you to review and resubmit with corrections. If there are any areas where you do not understand a concept, please check with the course mentor for assistance.

Accessing Performance Assessments

You should have completed the tasks as you worked through this course of study. If you have not completed the tasks in TaskStream, do so now.

- FNT1: Task 319.1.2-04, 2.1-01-03
- FNT1: Task 319.1.3-01-10, 2.1-04, 2.5-05

For directions on how to receive access to performance assessments, see the "Accessing Performance 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 Requirements
Please review the University ADA Policy.