

## ACC 311 Final Project I Guidelines and Rubric

### Overview

Cost accounting is used for two main purposes. The first purpose is to determine the actual costs of products, projects, processes, or services so an organization can report correct and accurate information on their financial statements. The second purpose is to aid the management team in making decisions and guiding the planning and control functions of the organization. Cost accounting provides an analysis of cost behavior, cost-volume-profit relationships, budgeting, resource costing, and activity-based costing. The roots of cost accounting are in the manufacturing business, but cost-accounting concepts are also used in service industries.

This assessment focuses on the [SRS Educational Supply Company](#) case study. SRS is a company that provides materials and supplies to educational institutions. The SRS business model is to be a one-stop provider of educational supply needs. For example, some of their product lines include workbooks, classroom visual aids, instructor support materials, art supplies, lab supplies, and administrative office supplies. While SRS serves all levels of educational institutions, the majority of their customers are K-12 schools. Sales can vary quite a bit from month to month, as K-12 educational institutions have seasonal ordering patterns. Thus, budgeting is vital for planning and cash flow purposes. SRS has a June 30th fiscal year end.

The final project is divided into two parts. In Final Project I, you will consider job order costing and process costing for the SRS Educational Press division of the company. You will review the information provided and prepare journal entries for the inventories. Then, you will prepare a summary of the performance for the Educational Press division. The final product will be submitted in **Module Three**.

In this assignment, you will demonstrate your mastery of the following course outcomes:

- ACC-311-01: Control the cost structure of an organization to achieve a target operating income
- ACC-311-03: Prepare cost accounting reports to internally communicate information to managerial decision makers

### Prompt

Assume you are the new cost accountant at SRS. As part of your new position, you have been asked to perform a few tasks for the company's leadership team. Refer to the case study for details on this part of the final project.

Specifically, you must address the following **critical elements** listed below. Most of the critical elements align with a particular course outcome (shown in brackets).

- I. Cost Structures
  - A. Prepare an **overview diagram** of the job-costing system at the SRS Educational Press. [ACC-311-01]
  - B. In a spreadsheet, prepare **journal entries** to summarize the 2017 transactions. For your final entry, dispose of the year-end under- or overallocated manufacturing overhead as a write-off to the Cost of Goods Sold account. Number your entries. Explanations for each entry may be omitted. [ACC-311-01]

- C. In a spreadsheet, show posted **T-accounts** for all inventories and the cost of goods sold, the manufacturing overhead control, and the manufacturing overhead allocated. [ACC-311-01]
- D. How was the SRS Educational Press **performance** in 2017? Should the company continue to have in-house press production? Did SRS accurately budget for manufacturing overhead costs? Support your answers with relevant data. Also, briefly explain how the firm can dispose of under- or overallocated overhead costs. [ACC-311-03]
- E. Name at least two **other products** that you are familiar with that would benefit from job order costing, and briefly explain how they would benefit. [ACC-311-01]

### Final Project I Rubric

**Guidelines for Submission:** Complete the overview diagram for Item A of Section I using a program of your choice. Then, copy and paste it into the appropriate tab of the Final Project Part I Student Workbook in Excel. Complete items B and C in the workbook. Submit a 1- to 2-page response to items D and E as a Word document.

Critical Element	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
<b>Overview Diagram</b> [ACC-311-01]	Meets the “Proficient” requirements and shows a sophisticated awareness of the process	Prepares an overview diagram of the job-costing system at SRS	Prepares an overview diagram of the job-costing system at SRS, but diagram contains inaccuracies or is missing key information	Does not prepare an overview diagram of the job-costing system at SRS	15
<b>Journal Entries</b> [ACC-311-01]	Meets the “Proficient” requirements and entries are expertly applied	Prepares journal entries to summarize the 2017 transactions, including the disposal of year-end manufacturing overhead	Prepares journal entries to summarize the 2017 transactions, but some entries are incorrect or missing	Does not prepare journal entries to summarize the 2017 transactions	20
<b>T-Accounts</b> [ACC-311-01]	Meets the “Proficient” requirements and postings display in-depth knowledge of the process	Shows correctly posted T-accounts for all inventories, cost of goods sold, manufacturing overhead control, and manufacturing overhead allocated	Shows posted T-accounts for most or all of the required list, but some entries are incorrect or missing key information	Does not show posted T-accounts for all inventories, cost of goods sold, manufacturing overhead control, and manufacturing overhead allocated	20

Critical Element	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
<b>Performance</b> [ACC-311-03]	Meets the “Proficient” requirements and demonstrates a complex grasp of SRS’s performance, decision of in-house press production continuance, and budgeting and disposal issues	Describes how the SRS Educational Press performed in 2017 and whether the company should continue its in-house press production, answers whether SRS accurately budgeted for manufacturing overhead costs, and describes how the firm can dispose of under- or overallocated overhead costs	Describes how the SRS Educational Press performed in 2017, but either doesn’t correctly address whether the company should continue its in-house press production, answer whether SRS accurately budgeted for manufacturing overhead costs, or describe how the firm can dispose of under- or overallocated overhead costs	Does not describe how the SRS Educational Press performed in 2017	25
<b>Other Products</b> [ACC-311-01]	Meets the “Proficient” requirements and shows a sophisticated awareness of job-order costing application and benefit	Names at least two other products that would benefit from job-order costing and explains how they would benefit	Names at least two other products that would benefit from job-order costing, but either doesn’t explain how products would benefit, or reasoning is faulty	Does not name at least two other products that would benefit from job-order costing	15
<b>Articulation of Response</b>	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy-to-read format	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	5
<b>Total</b>					<b>100%</b>