

ACC 207 Final Project II 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 II, you will review the financial information provided for the four main departments of the organization: sales, purchasing, operations, and finance. Based on the information provided, you will create departmental budgets for each of the four departments. You will then create a master budget based on the department budgets. In addition, you will create an executive brief presentation regarding the budgeting process. You will also provide an overview of the department and master budgets.

This final project contains one milestone, which is submitted in **Module Five** to scaffold learning and ensure quality final submissions. The final product will be submitted in **Module Seven**.

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

- ACC-207-02: Prepare budgets for various purposes in order to aid managerial decision-making processes
- ACC-207-03: Prepare cost accounting reports to internally communicate information to managerial decision makers

Prompt

The company has four main managers: a sales manager, a purchasing manager, an operations manager, and a finance manager. Each manager has both general information about the company as a whole and information about their own department. The information known only by the departmental manager is more accurate than the general corporate information.



Based on the information and data in the case study document, create a master budget for the three-month period beginning July 1st and ending September 30th. You are responsible for creating a budget for each department that will become the master budget.

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

I. **Budgeting:** Prepare Budgets

A. Review the financial information in the case study. Create spreadsheets and enter your data for the following:

1. Prepare the **sales budget** by month and in total. [ACC-207-02]
2. Prepare a **schedule of expected cash collections** from sales by month and in total. [ACC-207-02]
3. Prepare a **merchandise purchase budget** in dollars by month and in total. [ACC-207-02]
4. Prepare a **schedule of expected cash disbursements for merchandise** purchases by month and in total. [ACC-207-02]
5. Prepare a **selling and administrative budget** by month and in total. [ACC-207-02]
6. Prepare a **schedule of expected cash disbursements for selling and administration** by month and in total. [ACC-207-02]
7. Prepare a **cash budget** by month and in total. [ACC-207-02]
8. Prepare a **budgeted income statement (pro forma)** for the three-month period ending September 30th using the absorption costing approach. [ACC-207-02]
9. Prepare a **master budget balance sheet (pro forma)** as of September 30th. [ACC-207-02]

II. **Reporting**

A. Analyze Data

1. Briefly **summarize each department budget** and note any **large variances**. [ACC-207-03]
2. **Explain two variances** that might cause concern or prompt further analysis. [ACC-207-03]

B. Executive Brief Presentation

1. Create an **executive briefing presentation** in which you briefly summarize all budgets. Include all supporting documentation as addendums to the brief. [ACC-207-03]

Milestones

Milestone One: Budgets

In **Module Five**, you will prepare and submit the department budgets and the master budget. **This submission will be graded using the Final Project II Milestone One Rubric.**

Final Submission: Final Project II Submission

In **Module Seven**, you will submit your final project. You will compile the department budgets, master budget, and an overview of the budgeting process in an executive brief presentation. Based on the performance analysis of the company's press division, you will prepare a memo for the company's leadership team to explain the

performance level of the press division and whether it should continue operations. It should be a complete, polished artifact containing **all** of the critical elements of the final product. It should reflect the incorporation of feedback gained throughout the course. **This submission will be graded using the Final Project II Rubric.**

Final Project II Rubric

Guidelines for Submission: Your Final Project II submission is an *organizational financial analysis* report, which is your choice of a 12- to 15-page Microsoft Word document **OR** a 12- to 15-slide Microsoft PowerPoint presentation (excluding title page and references list):

- **Word Document:** If you submit a Word document, it should be double spaced, with 12-point Times New Roman font and one-inch margins, and it should use the latest guidelines for APA formatting for references and citations. Include your name, course number and course name, and report title on the title page. Upload your Final Project II Student Workbook with any edits based on instructor feedback as a separate addendum.
- **PowerPoint:** If you submit a PowerPoint presentation, it should include speaker notes (in addition to slide bullet points for each budget) that briefly summarize each of the budgets and the two variances. Upload your Final Project II Student Workbook with any edits based on instructor feedback as a separate addendum.

Critical Element	Exemplary	Proficient	Needs Improvement	Not Evident	Value
Budgeting: Sales Budget [ACC-207-02]		Prepares an accurate sales budget by month and in total based on the case study data (100%)	Prepares a sales budget by month based on the case study data, but either does not make a total budget or there are errors in the data entry or calculations (55%)	Does not prepare a sales budget by month and in total (0%)	7
Budgeting: Schedule of Expected Cash Collections [ACC-207-02]		Prepares an accurate schedule of expected cash collections from sales by month and in total based on the case study data (100%)	Prepares a schedule of expected cash collections from sales by month based on the case study data, but either does not make a total budget or there are errors in the data entry or calculations (55%)	Does not prepare a schedule of expected cash collections from sales by month and in total (0%)	7
Budgeting: Merchandise Purchase Budget [ACC-207-02]		Prepares an accurate merchandise purchase budget in dollars and shows the budget by month and in total based on the case study data (100%)	Prepares a merchandise purchase budget in dollars and shows the budget by month based on the case study data, but either does not make a total budget or there are errors in the data entry or calculations (55%)	Does not prepare a merchandise purchase budget in dollars showing the budget by month and in total based (0%)	7

Critical Element	Exemplary	Proficient	Needs Improvement	Not Evident	Value
Budgeting: Schedule of Expected Cash Disbursements for Merchandise [ACC-207-02]		Prepares an accurate schedule of expected cash disbursements for merchandise purchases by month and in total based on the case study data (100%)	Prepares a schedule of expected cash disbursements for merchandise purchases by month based on the case study data, but either does not make a total budget or there are errors in the data entry or calculations (55%)	Does not prepare a schedule of expected cash disbursements for merchandise purchases by month and in total (0%)	7
Budgeting: Selling and Administrative Budget [ACC-207-02]		Prepares an accurate selling and administrative budget by month and in total based on the case study data (100%)	Prepares a selling and administrative budget by month based on the case study data, but either does not make a total budget or there are errors in the data entry or calculations (55%)	Does not prepare a selling and administrative budget by month and in total (0%)	7
Budgeting: Schedule of Expected Cash Disbursements for Selling and Administration [ACC-207-02]		Prepares an accurate schedule of expected cash disbursements for selling and administration by month and in total based on the case study data (100%)	Prepares a schedule of expected cash disbursements for selling and administration by month based on the case study data, but either does not make a total budget or there are errors in the data entry or calculations (55%)	Does not prepare a schedule of expected cash disbursements for selling and administration by month and in total (0%)	7
Budgeting: Cash Budget [ACC-207-02]		Prepares an accurate cash budget by month and in total based on the case study data (100%)	Prepares a cash budget by month based on the case study data, but either does not make a total budget or there are errors in the data entry or calculations (55%)	Does not prepare a cash budget by month and in total (0%)	7
Budgeting: Budgeted Income Statement (Pro Forma) [ACC-207-02]		Prepares an accurate budgeted income statement (pro forma) for the three-month period ending September 30th based on the case study data (100%)	Prepares a budgeted income statement (pro forma) for the three-month period ending September 30th based on the case study data, but there are errors in the data entry or calculations (55%)	Does not prepare a budgeted income statement (pro forma) for the three-month period ending September 30th (0%)	9

Critical Element	Exemplary	Proficient	Needs Improvement	Not Evident	Value
Budgeting: Master Budget Balance Sheet (Pro Forma) [ACC-207-02]		Prepares an accurate master budget balance sheet (pro forma) for the three-month period ending September 30th based on the case study data (100%)	Prepares a master budget balance sheet (pro forma) for the three-month period ending September 30th based on the case study data, but there are errors in the data entry or calculations (55%)	Does not prepare a master budget balance sheet (pro forma) for the three-month period ending September 30th (0%)	9
Reporting: Summarize Each Department Budget and Note Any Large Variances [ACC-207-03]	Meets “Proficient” criteria and displays in-depth knowledge of budget and variance concepts (100%)	Briefly summarizes each department budget and notes any large variances (85%)	Briefly summarizes each department budget, but either doesn’t note any large variances or there are errors in the data entry or calculations (55%)	Does not briefly summarize each department budget or note any large variances (0%)	9
Reporting: Explain Two Variances [ACC-207-03]	Meets “Proficient” criteria and displays complex grasp of triggers for variance concept alerts (100%)	Explains two variances that might cause concern or prompt further analysis (85%)	Explains two variances that might cause concern or prompt further analysis, but explanation is illogical or contains errors (55%)	Does not explain two variances that might cause concern or prompt further analysis (0%)	9
Reporting: Executive Briefing Presentation [ACC-207-03]	Meets “Proficient” criteria and displays masterful application of presentation skills (100%)	Creates an executive briefing presentation in which all budgets are summarized, and presentation includes all supporting documentation as addendums to the brief (85%)	Creates an executive briefing presentation in which budgets are summarized, but either summaries contain errors or supporting documentation is missing or incomplete (55%)	Does not create an executive briefing presentation (0%)	10
Articulation of Response	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy-to-read format (100%)	Submission has no major errors related to citations, grammar, spelling, syntax, or organization (85%)	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas (55%)	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas (0%)	5
Total					100%