

Study Guide for MBA 210 Final Exam

Line #	Ch	Learning Objective	# of Qs	Learning Objective Description
1	1	1	1	Understand cost classifications used for assigning costs to cost objects: direct costs and indirect costs.
2	1	2	2	Identify and give examples of each of the three basic manufacturing cost categories.
3	1	3	2	Understand cost classifications used to prepare financial statements: product costs and period costs.
4	1	4	2	Understand cost classifications used to predict cost behavior: variable costs, fixed costs, and mixed costs.
5	1	5	1	Understand cost classifications used in making decisions: relevant costs and irrelevant costs.
6	1	6	2	Prepare income statements for a merchandising company using the traditional and contribution formats.
7	2	1	2	Explain how changes in sales volume affect contribution margin and net operating income.
8	2	3	2	Use the contribution margin ratio (CM ratio) to compute changes in contribution margin and net operating income resulting from changes in sales volume.
9	2	5	2	Determine the break-even point.
10	2	7	1	Compute the margin of safety and explain its significance.
11	5	1	3	Understand activity-based costing and how it differs from a traditional costing system.
12	5	2	2	Assign costs to cost pools using a first-stage allocation.
13	5	3	1	Compute activity rates for cost pools.
14	5	4	1	Assign costs to a cost object using a second-stage allocation.
15	6	1	3	Identify relevant and irrelevant costs and benefits in a decision.
16	6	2	1	Prepare an analysis showing whether a product line or other business segment should be added or dropped.
17	6	3	1	Identify the relevant costs and benefits associated with sourcing decisions.
18	6	4	1	Prepare an analysis showing whether a special order should be accepted.
19	7	1	2	Determine the payback period for an investment.
20	7	2	3	Evaluate the acceptability of an investment project using the net present value method.
21	7	3	3	Evaluate the acceptability of an investment project using the internal rate of return method.
22	7	5	2	Rank investment projects in order of preference.
23	8	1	2	Understand why organizations budget and the processes they use to create budgets.
24	8	2	2	Prepare a sales budget, including a schedule of expected cash collections.
25	8	3	1	Prepare a production budget.
26	8	4	1	Prepare a direct materials budget, including a schedule of expected cash disbursements for purchases of materials.
27	8	5	1	Prepare a direct labor budget.
28	8	6	1	Prepare a manufacturing overhead budget.
29	8	7	1	Prepare a selling and administrative expense budget.
30	8	8	1	Prepare a cash budget.
		Total Qs	50	