

## Chapter 13 Outline

Responsibility Accounting  
Action Traits of Expenses  
Variable Expenses  
    Strategies for Budgeting Variable Expenses  
Fixed Expenses  
Semi-Variable Expenses  
    High-Low Method  
    Regression Analysis Method  
Breakeven Point  
Contribution Margin  
Profit Target  
Effects of Volume and Price Increases  
Appendix: Regression Analysis

## Competencies

1. Define responsibility accounting and explain how it affects a manager's role and duties. (p. 355)
2. Define and create budgets for variable, fixed, and semi-variable expenses. (pp. 356–363)
3. Determine breakeven points, contribution margins, and profit targets. (pp. 363–365)
4. Describe the effects of a price increase on costs. (pp. 365–366)