

## **#711 ACCOUNTING 2**

**LEVEL: 1**

**GRADES: 11 -12**

**CREDITS: 5**

**PREREQUISITES:** Accounting 1 (701, 702)

**BASIC TEXT:** Century 21 Accounting, Advanced Course, Gilbertson & Lehman, 1995  
Automated Accounting 8.0, Allen & Klooster, 2003

**SUPPLEMENTAL READINGS:** Local Newspapers Articles, Selected Case Studies from text, Selected Written Assignments for NEASC compliance, Sarbanes-Oxley Materials

**REQUIRED MATERIALS:** Century 21 Accounting Textbook, Student Working Papers, Automated Accounting Software Program, Microsoft Excel Spreadsheet Program, Monopoly Board Game

**COURSE DESCRIPTION:** Accounting 2 covers the principles of advanced accounting. The second half of the course is done on the computer with the Automated Accounting software program. Departmental, Cost and Corporate accounting are covered with topics such as, Financial reporting, Payroll, Inventory Planning and Valuation, Plant Assets, Acquiring Capital for a corporation and paying out dividends.

**MISSION RELATED GOALS:** This course will foster the development of communication and problem-solving skills. Students will apply higher order thinking skills to solve simple and complex problems.

**STUDENT EXPECTATIONS FOR LEARNING ADDRESSED:** Students will communicate effectively and work towards a common goal while utilizing their problem solving skills to solve complex problems. The application of these expectations will allow students to contribute to the wider global society.

### **GENERAL PERFORMANCE OBJECTIVES:**

1. Understand and use accounting terminology related to departmental and managerial acctg.
2. Understand and use accounting terminology related to cost accounting
3. Understand and use accounting terminology related to corporations
4. Provide adequate preparation for advanced study in the accounting/business fields
4. To contribute to the economic and general education of the student

**MASSACHUSETTS FRAMEWORKS STRANDS:** There are no state framework strands specifically related to accounting education. However, the following strands are utilized in the TMHS accounting classes.

G9-12: 1.1 Identify the platform, version, properties, function, and interoperability of computing devices including a wide range of devices that compute and/or manage digital media.

G9-12: 1.7 Identify and assess the capabilities and limitation of emerging technologies.

G9-12: 1.8 Design and use functions of a spreadsheet application

G9-12: 2.1 Demonstrate compliance with the school's Acceptable Use Policy.

G9-12: 2.2 Explain issues related to the responsible use of technology (e.g., privacy, security)

G9-12: 2.8 Design and implement a personal learning plan that includes the use of technology to support lifelong learning goals.

G9-12: 2.9 Evaluate the authenticity, accuracy, appropriateness, and bias of electronic resources including Web sites.

G9-12: 3.5 Explain and demonstrate how specialized technology tools can be used for problem solving, decision making, and creativity in all subject areas.

#### **CURRICULUM FRAMEWORK LEARNING STANDARDS:**

**Standard 1.** Demonstrate proficiency in the use of computers and applications as well as an understanding of concepts underlying hardware, software, and connectivity.

**Standard 2.** Demonstrate responsible use of technology and an understanding of ethics and safety issues in using electronic media at home, in school and in society.

**Standard 3.** Demonstrate ability to use technology for research, critical thinking, problem-solving, decision making, communication, collaboration, creativity and innovation.

#### **UNITS AND THEMES:**

##### **Professional and Departmentalized Accounting**

- |      |   |        |
|------|---|--------|
| I.   | Accounting Framework and Concepts                   |        |
|      | Recording Departmental Purchases and Cash Payments  | 1 week |
|      | Standards 1,2,3                                     |        |
| II.  | Recording Departmental Sales and Cash Receipts      | 1 week |
|      | Standards 1,2,3                                     |        |
| III. | Calculating and recording Departmental Payroll      | 1 week |
|      | Standards 1,2,3                                     |        |
| IV.  | Financial Reporting for a Departmentalized Business |        |
|      | Reinforcement Activity                              | 1 week |
|      | Standards 1,2,3                                     |        |

V.	Accounting for Uncollectible Accounts and Plant Assets Standards 1,2,3	2 weeks
VI.	Accounting for Notes Payable/Receivable and Accruals Standards 1,2,3	1 week
VII.	Organizing a Corporation/Paying Dividends Standards 1,2,3	1 week
VIII.	Acquiring Additional Capital and Financial reporting Standards 1,2,3	1 week
IX.	Financial Statements for a Corporation Standards 1,2,3	1 week

### **COURSE OUTLINE:**

#### **I. Accounting Framework and Concepts**

##### **Recording Departmental Purchases and Cash Payments**

- a. Types of accounting and accounting professions
- b. Laws affecting accounting (Sarbanes-Oxley)
- c. Forms of Business organizations
- d. Generally Accepted Accounting Principles (GAAP)
- e. Accounting Records, Types of Journals and Ledgers
- f. Purchases and Cash Payments Journals and corresponding transactions and posting
- g. Bank statements and journalization

#### **II. Recording Departmental Sales and Cash Receipts**

- a. Sales and Cash Receipts Journal and corresponding transactions and posting
- b. Proving Cash
- c. Order of posting from journals

#### **III. Calculating and recording Departmental Payroll**

- a. Employee Benefits (Accrued vacation and benefits authorization)
- b. Types of Payroll (Salaried, hourly, commission)
- c. Completing Payroll Records (Payroll register, Employee Earnings Record)
- d. Employee versus Employer payroll – journalization, posting and payment

#### **IV. Financial Reporting for a Departmentalized Business**

- a. Departmental Statement of Gross profit
- b. Estimating Ending Merchandise Inventory
- c. Interim Departmental Statement of Gross profit
- d. Posting to Subsidiary Ledgers
- e. Preparing a worksheet and financial statements for a Departmentalized Business
- f. Reinforcement Activity

#### **V. Accounting for Uncollectible Accounts and Plant Assets**

- a. Direct Write Off Method of recording Uncollectible Accounts Expense (DWO)
- b. Writing off an Uncollectible account – Direct Write Off method
- c. Collecting a Written Off Account (DWO)
- d. Allowance Method of recording Uncollectible Accounts Expense

- e. Percentage of Sales Method
- f. Percentage of Accounts Receivable Method
- g. Estimation through aging
- h. Accounts Receivable Turnover Ratio
- i. Plant Asset records
- j. Buying and disposing of plant assets
- k. Calculating and recording depreciation
- l. Calculating and recording property Tax on Plant Assets
- VI. Accounting for Notes Payable/Receivable and Accruals**
- a. Calculating, discounting and recording Notes Payable
- b. Prepaid Expenses and journalization
- c. Accrued Expenses and journalization
- d. Journalizing Accrued Federal Income Tax Expense
- e. Calculating and recording Notes Receivable
- f. Unearned and Accrued Revenue
- g. Adjusting and Closing entries for interest income
- VII. Organizing a Corporation/Paying Dividends**
- a. Organizing a corporation and types of stock
- b. Issuing capital stock and journalization
- c. Organization costs of a corporation
- d. Dividends (journalization and payment)
- VIII. Acquiring Additional Capital and Financial reporting**
- a. Capital Stock – Issuance and recording
- b. Treasury Stock - Issuance and recording
- c. Bonds
- IX. Financial Statements for a Corporation**
- d. Completing a worksheet for a corporation
- e. Corporate balance Sheet and Income Statement
- f. Corporate Stockholder's Equity
- g. Closing Entries for a Corporation
- h. Post Closing Trial Balance
- i. Federal Income Tax Return

**Please Note: Automated Accounting will be intertwined into the weekly curriculum as concepts are learned.**

#### **INSTRUCTIONAL STRATEGIES:**

Lessons will be presented as whiteboard presentations, interactive discussions, case studies, lectures and handouts in order to address the various learning styles of the students. Writing assignments demonstrating that each student can effectively communicate accounting concepts will be utilized. Other strategies will include using the Automated Accounting 8.0

Software Program and employing Monopoly as an accounting tool.

**SUGGESTED INTEGRATED ACTIVITIES:** Class work and projects integrate with computer applications, marketing/management, and math.(spreadsheets and financial statement analysis)

**USE OF TOOLS / TECHNOLOGY:**

Calculators, State of the Art computers, (IBM format), Monopoly Game, Automated Accounting 8.0 Computer Program, Smart Board

**ASSESSMENTS TECHNIQUES:**

Daily class work, homework, weekly written tests, case studies, writing assignments, Class participation, attitude and effort

Grades are calculated as follows:

Tests	= 80%
Homework	= 10%
Class Work	= 10%