



Department of Career and Technical Education

Accounting I

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Supported by: Dr. James Riley, K-12 Coordinator of Fine Performing and Practical Arts

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Effective Fall 2017

Course Description

Accounting I provides students with the basic knowledge of accounting procedures, including analyzing and journalizing business transactions; constructing worksheets; calculating and recording adjusting entries; preparing financial statements; and finalizing the accounting cycle through closing entries. Special journals, subsidiary accounts and payroll reports and taxes will also be introduced. Emphasis is placed on service and merchandising businesses in a sole proprietorship or corporate setting.

Scope and Sequence

Month	Accounting Units	
September MP 1 - Sept.	Unit 1 - Starting a Proprietorship: Changes that affect the Accounting Equation (3 weeks)	
October MP 1 - Oct.	Unit 2 - Analysis of Transactions (4 weeks) NOTE* Really only takes 2 weeks with coffeehouse challenge	
November/ December MP 2	Unit 3 - Journalizing Transactions (5 weeks)	
December/ January MP 2	Unit 4 - Posting to a General Ledger (4 weeks)	

February MP 3	Unit 5 - Cash Control Systems (4 weeks)	
March / April MP 3	Unit 6 - Worksheet and Adjusting Entries for a Service Business (5 weeks)	
April / May MP 4	Unit 7 - Financial Statements for a Proprietorship (6 weeks)	
May / June MP 4	Unit 8 - Recording Closing Entries and Preparing a Post-Closing Trial Balance for a Service Business (6 weeks)	

Unit 1

Introduction to Accounting (3 Weeks)

Summary and Rationale

Accounting is often described as the “Universal Language of Business”. Accounting is the process of planning, recording, analyzing, and interpreting financial information. Every business and government organization in the United States has an Accounting of the Financial books and records of the organization. As future members of the work force it is essential to discover the value and importance of the role of accounting in a business. Students will understand the components of accounting statements including Assets, Liabilities, Owner’s Equity, Revenue and Expense and how this information is used to manage and grow the business. In addition there are many careers in the field of Accounting. Students will gain an understanding of the types of Accounting positions, education requirements and average salaries based on job titles.

1

Recommended Pacing

3 weeks

Standards

PATHWAY: Accounting (FN-ACT)

9.3.12.FN-ACT.1	Describe and follow laws and regulations to manage accounting operations and transactions.
9.3.12.FN-ACT.4	Utilize career-planning concepts, tools and strategies to explore, obtain and/or develop an accounting career.

Instructional Focus

Enduring Understandings:

- Utilize the accounting equation ($\text{Assets} = \text{Liabilities} + \text{Owner's Equity}$) to analyze business transactions as essential to the operations of a sole proprietorship.
- Businesses are responsible for knowing and understanding the laws and regulations of reporting financial data.
- The field of Accounting provides a variety of opportunities for employment and career advancement.

Essential Questions:

- How does keeping a daily record of business activities benefit a business?
- How does a Net Worth Statement add value to analysis of a business?
- Why choose Accounting as a career?
- What is the rationale behind the accounting equation?
- Why is it important to consistently follow standard accounting practices?

Evidence of Learning (Assessments)

Online and Book assignments and activities
 Vocabulary Quiz
 Unit Test
 Kahoot Quiz

Objectives (SLO)

Students will know how to:

- Explain the importance of an Accounting system to a Sole Proprietor.
- Define ethics and its importance to a business.

Students will be able to do:

- Create a list of reasons and examples of the importance of an Accounting system to the success of a Business.
- Research and identify and describe one example of a company with positive ethics and one with negative ethics

<ul style="list-style-type: none"> ● Define Accounting principles ● Describe the different users of Accounting Information. 	<ul style="list-style-type: none"> ● Students will work in groups to identify the five most important accounting principles and explain why they believe they are the most important. ● Prepare a net worth statement and explain its purpose (Create a Net Worth Statement in Google Sheets using the proper format demonstrated in class for Anthony Clement exercise 1-1 page 9.)
<ul style="list-style-type: none"> ● How does an accountant classify accounts as assets, liabilities, or owner's equity and demonstrate their relationship in the accounting equation. 	<ul style="list-style-type: none"> ● Classify all accounts correctly as either Assets, Liabilities or Owner's Equity.(Activity: Students will be given a list of accounts in random order, using a Google Sheet template correctly classify each account as Asset, Liability or Owner's Equity)
<ul style="list-style-type: none"> ● Analyze the effects of transactions on the accounting equation. 	<ul style="list-style-type: none"> ● Post transactions into accounting equation format as increasing or decreasing by Assets, Liabilities or Owner's Equity. (Students will be given a set of transactions and must classify each component of that transaction as increasing or decreasing Asset, Liabilities, or Owner's Equity using a google sheets template of the accounting equation for exercise 1-2 page 17)
<ul style="list-style-type: none"> ● Distinguish between cash and on account transactions. 	<ul style="list-style-type: none"> ● Correctly post transactions for cash and on account transactions. (Students will be provided a journal template in google sheets. Using this sheet properly journal a series of cash and account transactions for exercise 1-3 page 22)
<ul style="list-style-type: none"> ● Compare and contrast the types of transactions that increase and decrease owner's equity. 	<ul style="list-style-type: none"> ● With a partner using Google Docs list and describe all the different types of specific transactions that affect that increase and decrease owner's equity.
<ul style="list-style-type: none"> ● Explain the differences between expenses and liabilities. 	<ul style="list-style-type: none"> ● Using Google Sheets list and classify at least 5 accounts in the expense and liability category. Define and describe the differences between expenses and liabilities.
<ul style="list-style-type: none"> ● Identify career opportunities within the field of Accounting. 	<ul style="list-style-type: none"> ● Using a job search engine (careerbuilder.com) or an aggregator (Indeed.com). Identify one current job posting you are interested. Summarize the job title,

description, education requirements and salary range.
Describe why you would be interested in this position.

Suggested Resources/Technology Tools

Century 21 Accounting Text Book
Automated Accounting online
Microsoft Excel
Kahoot website
Google Classroom (Slides, Sheets)
Accounting Websites

21ST CENTURY LIFE AND CAREER STANDARDS

Please select all standards that apply to this unit of study:

- Act as a responsible and contributing citizen and employee.
- Apply appropriate academic and technical skills.
- Attend to personal health and financial well being.
- Communicate clearly and effectively and with reason.
- Consider the environmental social and economics impacts of decisions.
- Demonstrate creativity and innovation.
- Employ valid and reliable research strategies.
- Utilize critical thinking to make sense of problems and persevere in solving them.
- Model integrity, ethical leadership, and effective management.
- Plan education and career paths aligned to personal goals.
- Use technology to enhance productivity.
- Work productively in teams while using cultural global competence.

Suggestions on integrating these standards can be found at: <http://www.state.nj.us/education/cccs/2014/career/9.pdf>

Unit 2

Analyzing Transactions into Debit and Credit Parts

Summary and Rationale

Business transactions area analyzed and recorded as debits and credits in accounts which are used to prepare the Financial Statements of a Business.

Recommended Pacing

4 weeks

Standards

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9.3.12.FN-ACT.1	Describe and follow laws and regulations to manage accounting operations and transactions.
9.3.12.FN-ACT.2	Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
9.3.12.FN-ACT.3	Process, evaluate and disseminate financial information to assist business decision making.

Instructional Focus

Enduring Understandings:

- Accurate and thorough financial records are necessary for effective decision making.
- Understand if a debit or credit increases or decreases the balance of a Asset, Liability or Owner's Equity Account.
- Know the names and a definition for all accounts in a single proprietary business.
- Understand how transactions affect Owner's Equity.

Essential Questions:

- What is the importance of source documents to the accounting cycle?
- What is the importance and value of a T account?
- Which accounts does a debit or credit increase or decrease the balance?

Evidence of Learning (Assessments)

Online and Book assignments and activities
Unit Test
Kahoot Quiz

Objectives (SLO)

Students will know:

- Show the relationship between the accounting equation and a T account
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- Restate and apply the rules that are associated with the increase side of an account.
- Restate and apply the four questions necessary to analyze transactions for starting a business into debit and credit parts.
- Analyze transactions for operating a business into debit and credit parts.

- LIST ACTIVITIES and/or TEACHING POINT
- Use T accounts to create a proper balanced debit and credit entry based on a set of transactions.
- Use Working papers to determine the increase, decrease and normal balance for a series of Asset and Liability Accounts. Applications 2-1 & 2-2 on page 53
- In essay format explain the increase and normal balance side of an account categorized as Asset, Liability, Owner's Equity, Revenue, Expense and withdrawal.
- Students will be able to analyze transactions into debit and credit parts by answering the following questions: Which accounts are effected? How is each account classified? How is each classification changed? How is each amount entered into the accounts?
- Analyze transactions into debit and credit parts for all accounts.

- Identify the debit and credit side, the increase and decrease side and the balance side of various accounts.

Suggested Resources/Technology Tools

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Unit 3

Journalizing Transactions

Summary and Rationale

Students will understand how to use source documents to properly process and analyze various transactions into the Accounting System. Students will demonstrate their knowledge and understanding of the effects of each transaction on the operation of the business.

Recommended Pacing

6 weeks

Standards

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9.3.12.FN-ACT.2	Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
9.3.12.FN-ACT.3	Process, evaluate and disseminate financial information to assist business decision making.

Instructional Focus

Enduring Understandings:

- Prepare and understand the role internal documents play in the preparation of Journal Entries and financial statements for a sole proprietorship.
- Utilize accounting procedures with on the-job activity simulations that are required of entry-level accounting.
- Businesses keep records of all transactions in chronological order in a journal.

Essential Questions:

- What is the importance of source documents to the Accounting Cycle?
- What is the difference between cash and “on account” transactions?
- What are some possible consequences if a company does not have a good accounting system?
- Why must total assets equal liabilities plus owner’s equity?

Evidence of Learning (Assessments)

Online and Book assignments and activities
Unit Test
Vocabulary quiz
Kahoot Quiz

Objectives (SLO)

Students will know:

- Define what a journal is and explain why it is used to record transactions
- Compare and contrast different types of source documents.
- Identify the four parts of a journal entry.
- Identify and correct errors using standard accounting practices.

Students will be able to:

- Analyze and record cash transactions using source documents. (work together and on your own 3-1 page 64)
- Analyze and record transactions for buying and paying on account. (work together and on your own 3-2 page 69)
- Analyze and record transactions that affect owner's equity. (work together and on your own 3-3 page 75)
- Analyze and record sales and receipt of cash on account. (application problems page 84)
- Demonstrate when to end and how to start a new journal page. (masters problems page 85)

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Unit 4

Posting to a General Ledger

Summary and Rationale

Students will analyze daily business Transactions, update account balances, and prove the equality of the ledger by completing a trial balance.

Recommended Pacing

8 weeks

Standards

PATHWAY: Accounting (FN-ACT)	
9.3.12.FN-ACT.1	Describe and follow laws and regulations to manage accounting operations and transactions.
9.3.12.FN-ACT.2	Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.

Instructional Focus	
Enduring Understandings:	Essential Questions:
<ul style="list-style-type: none"> ● All accounting systems must have a chart of accounts and be properly established according to Generally Accepted Accounting Principles (GAAP) ● Source documents must be used to document and verify all business transactions. ● The purpose of a ledger account is to house all information pertaining to a single account. ● Analysis of Financial information and reports is essential in making business management decisions. 	<ul style="list-style-type: none"> ● How do you construct a chart of accounts? ● How would you explain the relationship of the Journal to the Ledger? ● What is the purpose of a Ledger Account? ● How do you open a General Ledger Account and assign account numbers? ● How do you prove the cash balance in the general ledger is correct? ● When is a correcting entry necessary?
Evidence of Learning (Assessments)	
<p>Online and Book assignments and activities</p> <p>Unit Test</p> <p>Vocabulary Quiz</p> <p>Kahoot Quiz</p>	
Objectives (SLO)	

Students will know:

- The value and purpose of the chart of accounts.
- How to sequentially order new account numbers
- Update chart of accounts with new accounts and retire unused accounts.
- Know process to open a general ledger account.
- Process to post amounts to the general ledger
- How to make sure cash account is correct.

Students will be able to:

- Construct a chart of accounts for a service business organized as a proprietorship. (on your own 4-1 page 97)
- Demonstrate correct principles for numbering accounts.
- Apply file maintenance principles to update a chart of accounts.
- Complete the steps necessary to open general ledger accounts. (application problem 4-1 page 116)
- Post amounts from a general journal. (on your own 4-2 page 108)
- Demonstrate how to prove cash.
- Analyze incorrect journal entries and prepare correcting entries. (master problem 4-M page 117)
- Demonstrate how to correct errors made during the posting process.
- Use online activities, masters and challenge problems from textbook.

Suggested Resources/Technology Tools

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Unit 5

Cash Control Systems

Summary and Rationale

Cash is an important Financial asset for a business. To ensure the business remains healthy and competitive the cash position of the business must be safeguarded and analyzed to ensure success of the business.

Recommended Pacing

4 weeks

Standards

PATHWAY: Accounting (FN-ACT)

9.3.12.FN-ACT.1	Describe and follow laws and regulations to manage accounting operations and transactions.
9.3.12.FN-ACT.2	Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
9.3.12.FN-ACT.3	Process, evaluate and disseminate financial information to assist business decision making.

Instructional Focus

Enduring Understandings:

- Accurate and thorough financial records are necessary for effective decision making.
- Cash is the largest and most liquid asset in all businesses; therefore it must be monitored and protected.

Essential Questions:

- What would happen if businesses did not have a control system for cash?
- Why do you think a business establishes guidelines when setting up a petty cash fund?
- Why is it important to prepare a bank reconciliation when a statement is received?
- How do you record a bank service charge, dishonored check and debit card transaction?

Evidence of Learning (Assessments)

Online and Book assignments and activities
 Unit Test
 Kahoot Quiz

Objectives (SLO)

Students will know:

- The process to reconcile company records of bank account to the bank statement.
- The process to record bank fees into the accounting system.
- The purpose and process to setup and account for a petty cash fund.

Students will be able to:

- Complete a bank statement reconciliation. (on your own 4-2 page 134)
- Complete record keeping for a bank service charge, dishonored check, and debit card transaction. (on your own 5-3 page 139)
- Establish a petty cash fund (on your own 5-4 page 150)
- Replenish a petty cash fund
- Prepare a petty cash report (5-M mastery problem page 150)

Suggested Resources/Technology Tools

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 Automated Accounting online
 Microsoft Excel
 Kahoot website
 Google Classroom (Slides, Sheets)

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Unit 6

Work Sheet and Adjusting Entries for a Service Business

Summary and Rationale

At the end of an accounting period, accountants create a worksheet to summarize the general ledger information needed to create financial statements.

Recommended Pacing

5 weeks

Standards

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9.3.12.FN-ACT.2	Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
9.3.12.FN-ACT.3	Process, evaluate and disseminate financial information to assist business decision making.

Instructional Focus

Enduring Understandings:

- All general ledger accounts are summarized at the end of an accounting period into a worksheet. The worksheet is used as the basis to create financial statements
- Adjustments are necessary because certain accounts must be brought up to date before beginning the new fiscal period. The worksheet is the working document and all adjustments entered will later be journalized and posted to the general ledger.
- All permanent accounts are extended to the Balance Sheet section first, and then all temporary capital accounts are extended to the Income Statement section.
- Accurate and thorough financial records are necessary for effective decision making.

Essential Questions:

- How do you determine the financial condition of a business?
- How do you create a trial balance and a worksheet?
- What is the purpose of a worksheet?
- Why are adjustments necessary on a worksheet?
- What account is affected by net income or net loss?

Evidence of Learning (Assessments)

Online and Book assignments and activities
Unit Test
Kahoot Quiz

Objectives (SLO)

Students will know:

- The purpose and process to prepare a trial balance.
- How to process account adjustments
- The structure and value of the Balance Sheet and Income Statement to stakeholders.
- Identify methods to find errors.

Students will be able to:

- Prepare the trial balance section of a work sheet. (on your own 6-1 page 162)
- Analyze and explain the adjustments for supplies and prepaid insurance. (on your own 6-2 page 168)
- Complete the adjustments column of a work sheet. (on your own 6-3 page 175)
- Prepare the Balance Sheet and Income Statement columns of a worksheet. (Masters activity page 184)
- Apply the steps for finding errors on a work sheet. (auditing for errors activity page 187)

Suggested Resources/Technology Tools

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Unit 7

Financial Statements for a Proprietorship (6 weeks)

Summary and Rationale

All businesses complete the accounting cycle by preparing Financial Statements which report the financial condition of a business to stakeholders.

Recommended Pacing

6 weeks

Standards

PATHWAY: Accounting (FN-ACT)

9.3.12.FN-ACT.1	Describe and follow laws and regulations to manage accounting operations and transactions.
9.3.12.FN-ACT.2	Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
9.3.12.FN-ACT.3	Process, evaluate and disseminate financial information to assist business decision making.

Instructional Focus

Enduring Understandings:

- Businesses report on their financial condition by preparing financial statements.
- Accounting reports enable management to know at a glance if the business is making a profit or operating at a loss. They are also used to compare performance from year to year. This way the owner can determine if there is a positive or negative trend occurring in Net Income.
- Financial Statements are considered the Report Cards of a business.
- Financial Statements of a Sole Proprietorship consist of an Income Statement, a Statement of Stockholder's Equity and a Balance Sheet.
- Financial Statements are prepared so that Stakeholders (business owner's, employees, creditors, investors and the government) can use the information to evaluate the company.

Essential Questions:

- How does accounting information enable the manager to make better decisions?
- Why must the sequence of financial statement preparation begin with the Income Statement and end with the Balance Sheet?
- What is the difference between a temporary and permanent account?
- Why are some businesses required to submit quarterly, as well as, annual financial reports?

Evidence of Learning (Assessments)

Online and Book assignments and activities
 Unit Test
 Kahoot Quiz

Objectives (SLO)

Students will know:

- The purpose and process to create financial statements.
- Ratios and tools to analyze a business.
- How to prepare financial statements.

Students will be able to:

- Prepare an Income Statement for a Service Business. (on your own page 188)
- Calculate and analyze financial ratios using income statement amounts. (mastery problem page 209)
- Prepare a Balance Sheet for a service business organized as a proprietorship. (on your own 7-2 page 205)

Suggested Resources/Technology Tools

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Recording Closing Entries and Preparing a Post-Closing Trial Balance for a Service Business (6 Weeks)

Summary and Rationale

All businesses complete the accounting cycle by transferring and closing all temporary accounts to the equity statement.

Recommended Pacing

4 weeks

Standards

PATHWAY: Accounting (FN-ACT)

9.3.12.FN-ACT.1	Describe and follow laws and regulations to manage accounting operations and transactions.
9.3.12.FN-ACT.2	Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
9.3.12.FN-ACT.3	Process, evaluate and disseminate financial information to assist business decision making.

Instructional Focus

Enduring Understandings:

- All temporary accounts, revenue, expense, and withdrawals, are closed at the end of the fiscal period.
- The Income Statement is used to close out the Revenue and Expense Accounts.

Essential Questions:

- Why are the temporary capital accounts closed at the end of the fiscal year?
- How is the Income Statement Account different from the other temporary accounts?
- What are the steps for closing the temporary capital accounts?

- Closing entries are made to prepare the financial records for the next fiscal period.

- What effect does closing the withdrawals account have on the capital account?
- Why do only the balances of permanent accounts appear on the post-closing trial balance?

Evidence of Learning (Assessments)

Online and Book assignments and activities
 Unit Test
 Kahoot Quiz

Objectives (SLO)

Students will know:

- The process to close (complete the books and records of the business)

Students will be able to:

- Journalize and post closing entries for a service business organized as a proprietorship. (on your own 8-1 page 222)
- Prepare a Post Closing Trial Balance. (on your own 8-2 page 230)

Suggested Resources/Technology Tools

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