# College Accounting Course No. 33109 Credit: 1.0

|  |  |  |  |
| --- | --- | --- | --- |
| **Student name:** |  | **Graduation Date:** |  |

Pathways and CIP Codes:Finance (52.081)

Course Description: **Application Level - Accounting Strand:** This course includes financial accounting, managerial accounting, and financial statement analysis topics. Compared to the traditional, standalone financial accounting and managerial accounting courses, this course encompasses more topics and learning outcomes than the traditional financial accounting course, and at least a quarter of the topics and learning outcomes in a traditional managerial course.

Directions:The following competencies are required for full approval of this course. Check the appropriate number to indicate the level of competency reached for learner evaluation.

**RATING SCALE:**

4. Exemplary Achievement: Student possesses outstanding knowledge, skills or professional attitude.

3. Proficient Achievement:Student demonstrates good knowledge, skills or professional attitude. Requires limited supervision.

2. Limited Achievement:Student demonstrates fragmented knowledge, skills or professional attitude. Requires close supervision.

1. Inadequate Achievement:Student lacks knowledge, skills or professional attitude.

0. No Instruction/Training:Student has not received instruction or training in this area.

## Benchmark 1: Introduction to Accounting

### Competencies

| **#** | **DESCRIPTION** | **RATING** |
| --- | --- | --- |
| 1.1 | Explain how and why the conceptual framework of accounting and generally accepted accounting principles provides guidance and structure for preparing financial statements. |  |
| 1.2 | Describe the information provided in each financial statement and how the statements articulate with each other. |  |
| 1.3 | Identify business ownership structures. |  |
| 1.4 | Explain the role of management and the auditor in preparing and issuing an annual report. |  |
| 1.5 | Describe the relationship between assets, liabilities and equity on the balance sheet. |  |
| 1.6 | Identify and explain the classifications within assets, liabilities, and equity. |  |
| 1.7 | Define and calculate the current ratio and debtequity ratio. |  |
| 1.8 | Describe the information presented in an income statement. |  |
| 1.9 | Calculate return on sales (net profit margin) and return on equity. |  |
| 1.10 | Identify and explain the three phases of the management cycle. |  |
| 1.11 | Identify and explain the four business processes. |  |
| 1.12 | Explain and calculate the operating cycle (accounts receivable turnover and inventory turnover). |  |
| 1.13 | Explain how internal control procedures are used to safeguard assets. |  |
| 1.14 | Prepare a bank reconciliation. |  |

## Benchmark 2: Accounting Information Systems

### Competencies

| **#** | **DESCRIPTION** | **RATING** |
| --- | --- | --- |
| 2.1 | Describe the purpose of the accounting system. |  |
| 2.2 | Describe the purpose of journals and ledgers and their relationship |  |
| 2.3 | Analyze and describe how business transactions impact the accounting equation. |  |
| 2.4 | Apply the double-entry system of accounting to record business transactions and prepare a trial balance. |  |
| 2.5 | Explain the need for adjusting entries and record adjusting entries |  |
| 2.6 | Prepare the financial statements for the different types of business operations and ownership structures. |  |
| 2.7 | Explain the purposes of the closing process and record closing entries. |  |
| 2.8 | Complete the steps in the accounting cycle and prepare financial statements. |  |

## Benchmark 3: Accounting for Merchandising Companies.

### Competencies

| **#** | **DESCRIPTION** | **RATING** |
| --- | --- | --- |
| 3.1 | Describe the differences between the periodic and perpetual inventory systems. |  |
| 3.2 | Record business transactions using the periodic inventory system and the perpetual inventory system. |  |
| 3.3 | Describe the difference between the gross price method and the net price method. |  |
| 3.4 | Record business transactions using the gross price method and the net price method. |  |
| 3.5 | Determine cash paid for inventory and operating expenses. |  |
| 3.6 | Identify and describe the cost flow assumptions for inventory and explain the impact on the balance sheet and income statement. |  |
| 3.7 | Calculate cost of goods sold and ending inventory using LIFO and FIFO inventory costing methods. |  |
| 3.8 | Explain how inventory for a manufacturing business differs from inventory for a merchandising business. |  |
| 3.9 | Explain how an activity-based costing system operates, including the identification of activity cost pools, and the selection of cost drivers. |  |
| 3.10 | Explain the flow of costs through the manufacturing accounts used in product costing. |  |
| 3.11 | Compute a predetermined overhead rate, and explain its use in job-order costing. |  |
| 3.12 | Determine whether manufacturing overhead is over/under-applied. |  |
| 3.13 | Prepare journal entries to record the costs of direct material, direct labor, and manufacturing overhead in a job-order costing system. |  |
| 3.14 | Prepare a schedule of cost of goods manufactured, a schedule of cost of goods sold, and an income statement for a manufacturer. |  |

## Benchmark 4: Introduction to Taxes

### Competencies

| **#** | **DESCRIPTION** | **RATING** |
| --- | --- | --- |
| 4.1 | Calculate payroll taxes. |  |

## Benchmark 5: Accounting for Sales and Accounts Receivable

### Competencies

| **#** | **DESCRIPTION** | **RATING** |
| --- | --- | --- |
| 5.1 | Describe the criteria used to determine revenue recognition. |  |
| 5.2 | Record revenue-related transactions. |  |
| 5.3 | Explain the accounting methods used to determine the value of accounts receivable to be reported on the balance sheet and describe the effect on the income statement. |  |
| 5.4 | Record transactions for accounts receivable, including uncollectible accounts, write-offs, and recoveries. |  |

## Benchmark 6: Time Value of Money

### Competencies

| **#** | **DESCRIPTION** | **RATING** |
| --- | --- | --- |
| 6.1 | Determine the present value and future value cash flows. |  |

## Benchmark 7: Accounting for Fixed Assets

### Competencies

| **#** | **Description** | **RATING** |
| --- | --- | --- |
| 7.1 | Use net present value concepts to make investment decisions. |  |
| 7.2 | Explain the purpose and methods of cost allocation. |  |
| 7.3 | Calculate and record depreciation, depletion and amortization and explain the impact on the financial statements. |  |
| 7.4 | Record the sale and disposal of fixed assets and the impact on the financial statements. |  |

## Benchmark 8: Accounting for Debt

### Competencies

| **#** | **Description** | **RATING** |
| --- | --- | --- |
| 8.1 | Compare and contrast debt and equity financing. |  |
| 8.2 | Define and calculate TIE (Times-interest-earned ratio). |  |
| 8.3 | Compare and contrast a periodic payment note payable, a lump-sum note payable, and a periodic and lump-sum note payable. |  |
| 8.4 | Calculate the carrying value, interest expense and cash payment for note payable (periodic payment, lump-sum, periodic and lump-sum) transactions |  |
| 8.5 | Record transactions for notes payable: issuance and interest expense |  |
| 8.6 | Record transactions for bonds issued at face value, a premium and a discount. |  |
| 8.7 | Record interest expense for bonds issued at face value, a premium and a discount using the straightline method and effective-interest meth |  |

## Benchmark 9: Accounting for Stockholder’s Equity

### Competencies

| **#** | **Description** | **Rating** |
| --- | --- | --- |
| 9.1 | Identify and describe the different classes of stock and explain the rights afforded each class of stock. |  |
| 9.2 | Describe the difference between cash dividends, stock dividends and stock splits, and the impact on the financial statements. |  |
| 9.3 | Record stock transactions: contributions by owners, corporate distributions (dividends), and the reacquisition of company stock. |  |

## Benchmark 10: Financial Statements

### Competencies

| **#** | **Description** | **rating** |
| --- | --- | --- |
| 10.1 | Describe the information provided in an income statement, and the purpose of an income statement. |  |
| 10.2 | Prepare an income statement |  |
| 10.3 | Explain the difference in net income and income from continuing operations (discontinued operations, extraordinary items). |  |
| 10.4 | Describe the information provided in a balance sheet and statement of equity, and the purpose of a balance sheet and statement of equity. |  |
| 10.5 | Prepare a balance sheet and statement of equity. |  |
| 10.6 | Describe the information provided in statement of cash flows, and the purpose of a statement of cash flows. |  |
| 10.7 | Prepare a statement of cash flows using the direct method. |  |

## Benchmark 11: Cost-Volume-Profit Analysis

### Competencies

| **#** | **Description** | **Rating** |
| --- | --- | --- |
| 11.1 | Identify the activities in the three operating processes. |  |
| 11.2 | Identify and explain variable costs, fixed costs, and mixed costs. |  |
| 11.3 | Use high-low analysis to determine variable costs, fixed costs, and mixed costs. |  |
| 11.4 | Calculate break-even point and perform costvolume-profit (CVP) ana |  |
| 11.5 | Apply sensitivity analysis to CVP analysis. |  |
| 11.6 | Determine selling price using sensitivity analysis and CVP analysis. |  |
| 11.7 | Describe the process of determining selling prices and demonstrate how various strategies are used to determine selling price. |  |
| 11.8 | Describe the differences among product and nonproduct costs. |  |
| 11.9 | Identify and explain product costs: direct/indirect materials, direct/indirect labor, manufacturing overhead. |  |
| 11.10 | Record direct materials and direct labor transactions. |  |
| 11.11 | Analyze a make-or-buy decision. |  |
| 11.12 | Describe the process of determining selling prices and demonstrate how various strategies are used to determine selling price. |  |

## Benchmark 12: Summary of Ratios

### Competencies

| **#** | **Description** | **Rating** |
| --- | --- | --- |
| 12.1 | Assess a company’s profitability by calculating: Return on sales (Net profit margin); Earnings per share (EPS); DuPont ROI (ROA); and ROE (Return on Equity). |  |
| 12.2 | Assess a company’s liquidity and solvency by calculating: Current ratio; Operating cycle: Inventory turnover in days and accounts receivable turnover in days. |  |
| 12.3 | Assess a company’s debt position and ability to pay interest by calculating: Debt-equity ratio and TIE (Times-interest-earned ratio). |  |

I certify that the student has received training in the areas indicated.

Instructor Signature:

For more information, contact:

CTE Pathways Help Desk

(785) 296-4908

[pathwayshelpdesk@ksde.org](mailto:pathwayshelpdesk@ksde.org)



900 S.W. Jackson Street, Suite 102

Topeka, Kansas 66612-1212

[https://www.ksde.org](https://www.ksde.org/)

The Kansas State Department of Education does not discriminate on the basis of race, color, national origin, sex, disability or age in its programs and activities and provides equal access to any group officially affiliated with the Boy Scouts of America and other designated youth groups. The following person has been designated to handle inquiries regarding the nondiscrimination policies: KSDE General Counsel, Office of General Counsel, KSDE, Landon State Office Building, 900 S.W. Jackson, Suite 102, Topeka, KS 66612, (785) 296-3201.