

Accounting 1--Principles

Course Outcome Summary

Course Information

Organization	Madison Area Technical College
Developers	Peggy A. Boerman
Revised By	Peggy A. Boerman
Revised Date	3/24/2009
Course Number	10-101-111
Instructional Level	Associate Degree
Instructional Area	Accounting
Division	Business and Applied Arts
Potential Hours of Instruction	72
Total Credits	4

Description

Introduction to the field of accounting. The accounting cycle of journalizing transactions, posting, adjusting and closing entries, as well as the preparation of accounting statements is emphasized for service industries and merchandising concerns. Details of accounting for cash, notes and interest, and inventories.

Target Population

Business Department Program majors

Types of Instruction

Instruction Type	Contact Hours	Credits
Classroom Presentation	72	4

Textbooks

Wild, Shaw & Chiappetta. *Fundamental Accounting Principles Chapter 1-9*. Irwin McGraw-Hill. 2009. **Edition:** 19th edition.

Learner Supplies

Financial Calculator. **Manufacturer:** Texas Instruments - BA II Plus preferred.

Prerequisites

Recommend completion (or concurrent enrollment in) of Math of Finance (10-804-144)

Exit Learning Outcomes

Core Abilities

- A. Critical thinking
- B. Mathematics
- C. Science and Technology

Competencies

- A. Analyze financial transactions

Linked Core Abilities

Critical thinking

Mathematics

Competence will be demonstrated:

A.1. by satisfactorily completing and submitting all homework assignments when due

A.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

A.1. you identify business accounting transactions

A.2. you identify accurate accounts and abbreviations

A.3. you classify accounts as Assets, Liabilities, Owner's Equity, Revenue or Expense correctly

A.4. you explain how debits and credits increase or decrease the accounts

B. Record transaction in general journal**Linked Core Abilities**

Critical thinking

Competence will be demonstrated:

B.1. by satisfactorily completing and submitting all homework assignments when due

B.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

B.1. you prepare a journal entry in proper form

B.2. you prepare accurate journal entries

B.3. you use accurate dollar amounts

C. Record transactions in the ledgers**Competence will be demonstrated:**

C.1. by satisfactorily completing and submitting all homework assignments when due

C.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

C.1. you post journal entries into the ledger accounts

C.2. you prepare an accurate unadjusted trial balance neatly and in good form

D. Prepare adjusting entries**Linked Core Abilities**

Critical thinking

Mathematics

Competence will be demonstrated:

D.1. by satisfactorily completing and submitting all homework assignments when due

D.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

D.1. you explain why adjusting entries are necessary to provide accurate financial statements

D.2. you convert cash expenses or revenues into the proper accrual basis amount

D.3. you record the proper entry for an expense initially charged to a prepaid asset account

D.4. you record the proper entry for a revenue initially recorded as an unearned revenue

D.5. you identify and record unrecorded/accrued expenses

D.6. you use a worksheet as a tool for determining adjusting entries

D.7. you identify and record unrecorded/accrued revenues

D.8. you record depreciation of plant and equipment accurately

E. Prepare closing entries**Linked Core Abilities**

Critical thinking

Mathematics

Competence will be demonstrated:

E.1. by satisfactorily completing and submitting all homework assignments when due

E.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

E.1. you identify temporary accounts correctly

E.2. you journalize the closing entries correctly

E.3. you post the entries to the ledgers correctly

E.4. you prepare an accurate post-closing Trial Balance neatly and in good form

F. Prepare an Income Statement**Linked Core Abilities**

Critical thinking

Competence will be demonstrated:

F.1. by satisfactorily completing and submitting all homework assignments when due

F.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

F.1. you prepare the Income Statement neatly and in good form

F.2. you prepare a single-step Income Statement correctly

F.3. you prepare a multi-step Income Statement correctly

G. Prepare a Statement of Changes in Owner's Equity**Linked Core Abilities**

Critical thinking

Competence will be demonstrated:

G.1. by satisfactorily completing and submitting all homework assignments when due

G.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

G.1. you prepare the Statement of Changes in Owner's Equity neatly and in good form

G.2. you prepare a Statement of Changes in Owner's Equity correctly

H. Prepare a balance sheet**Linked Core Abilities**

Critical thinking

Competence will be demonstrated:

H.1. by satisfactorily completing and submitting all homework assignments when due

H.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

H.1. you prepare the balance sheet neatly and in good form

H.2. you prepare a balance sheet correctly

I. Record merchandising activities**Linked Core Abilities**

Critical thinking

Mathematics

Competence will be demonstrated:

I.1. by satisfactorily completing and submitting all homework assignments when due

I.2. by passing a closed book exam with at least 70% correct using only a calculator

I.3. by using the textbook, class notes, lab personnel or other students

Criteria - Performance will be satisfactory when:

I.1. you explain the difference between a periodic and perpetual inventory system

I.2. you prepare accurate journal entries for the purchase and sale of merchandise inventory using both the periodic and perpetual methods

- I.3. you use accurate dollar amounts
- I.4. you compute purchase and sales discounts
- I.5. you prepare the closing entries for a merchandising company

J. Use accounting software to prepare financial records and statements

Linked Core Abilities

Critical thinking

Mathematics

Science and Technology

Competence will be demonstrated:

- J.1. by completing and submitting the homework assignments when due
- J.2. by completing the assignment outside of class
- J.3. by using the textbook, class notes, lab personnel or other students

Criteria - Performance will be satisfactory when:

- J.1. you complete the entire accounting cycle of a given company
- J.2. you prepare accurate trial balances and financial statements

K. Apply the major inventory valuation methods

Linked Core Abilities

Critical thinking

Mathematics

Competence will be demonstrated:

- K.1. by satisfactorily completing and submitting all homework assignments when due
- K.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

- K.1. you explain the difference between a periodic and perpetual inventory system
- K.2. you explain the difference between the major inventory valuation methods and the impact on cost flows
- K.3. you apply both the retail inventory and gross profit methods to estimate inventory
- K.4. you use accurate dollar amounts

L. Apply internal controls to cash

Linked Core Abilities

Critical thinking

Mathematics

Competence will be demonstrated:

- L.1. by satisfactorily completing and submitting all homework assignments when due
- L.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

- L.1. you describe the major internal controls relating to cash and their importance
- L.2. you record petty cash transactions
- L.3. you prepare a neat and accurate Bank Reconciliation Statement
- L.4. you use Gross and Net methods of recording merchandise purchase transactions

M. Record accounts receivable transactions

Linked Core Abilities

Critical thinking

Mathematics

Competence will be demonstrated:

- M.1. by satisfactorily completing and submitting all homework assignments when due
- M.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

- M.1. you apply the allowance method to account for Accounts Receivable
- M.2. you estimate uncollectibles using methods based on Sales and Accounts Receivable
- M.3. you prepare accurate journal entries to account for bad debts
- M.4. you use accurate dollar amounts

N. Record notes receivable transactions

Linked Core Abilities

Critical thinking

Mathematics

Competence will be demonstrated:

- N.1. by satisfactorily completing and submitting all homework assignments when due
- N.2. by passing a closed book exam with at least 70% correct using only a calculator

Criteria - Performance will be satisfactory when:

- N.1. you record receipt of notes receivable
- N.2. you compute and record the accrual of interest
- N.3. you record receipt of and payment on notes receivable
- N.4. you record the honoring and dishonoring of a note receivable
- N.5. you use accurate dollar amounts