

Orange Unified School District  
**Accounting I - Computerized**  
 Year Course

**Grade Level:** 9-11

**Prerequisites:** None

**Introduction to the Subject:**

Accounting I is a comprehensive, self-contained, fully-computer integrated one-year course which gives an overview of the complete accounting process using both manual entry and industry-standard accounting software such as Excel, Peachtree, and QuickBooks. Basic theories and problems relating to a sole proprietorship are emphasized, while the partnership and corporate types of businesses are included. The accounting cycle for both service and merchandising businesses are included. The theory of double entry accounting, account classification, worksheets, and preparation of financial statements, and ethics will be discussed. This course supports the California Business Education Career Path and Model Curriculum Standards.

**Course Objectives:**

**By the end of the course:**

- Students will develop a knowledge and understanding of the language and concepts of Accounting I.
- Students will obtain employability skills such as time management, problem-solving, and critical thinking.
- Students will obtain technology skills by using MS Word, Excel, Peachtree and QuickBooks.
- Students will obtain career goals knowledge and employability skills in the field of accounting, such as time management, problem solving, critical thinking, and cooperative planning.
- Students will analyze standard business financial reports by using a business simulation.
- Students will review the accounting cycle for a sole proprietorship including transactional analysis journals, ledgers and posting, analysis of adjustments, the work sheet, financial statements, recording of adjusting, closing entries and the post closing trial balance.
- Students will review the accounting cycle for a merchandising business including accounting for sales on account, cash receipts, purchases on account, cash payments, journal transactions, preparing a computerized ten-column worksheet, preparing financial statements for a corporation, and recording adjusting and closing entries.
- Students will review accounting for payroll and payroll tax records.
- Student will be involved in class discussion regarding the use of computers in accounting, the practice of ethics as related to the accounting field and the careers available in accounting.
- Students will use peer reviews to analyze peer work and provide problem-solving feedback.
- Students develop critical thinking skills by comparing and contrasting concepts, solving problems, making decisions, analyzing and evaluating, synthesizing and transferring knowledge
- Students will develop and practice metacognition skills by analyzing what they already know about the topic, what they need to know about the topic, how they learn best, how to get information they need, whether they fully understood what they heard, read, or learned, and whether they know when they made a mistake and why they made it.

**Recommended text(s):**

- Guerrieri, Donald J.; Haber, F. Barry; Hoyt William B.; Turner, Robert E., *Glencoe Accounting, Real World Applications, 1<sup>st</sup> year course*, McGraw Hill/Glencoe, California, 2007.
- QuickBooks lessons from QuickBooks.
- Peachtree lessons from Peachtree.

**Supplemental Text/Materials:**

- QuickBooks financial document preparation lessons from textbook and QuickBooks.
- Peachtree financial document preparation lessons from textbook and Peachtree.
- Excel financial document preparation lessons.
- Lemonade Tycoon video game
- Monopoly
- Documentaries from PBS and Frontline

**Course Overview and Approximate Time Allotments**

**First Semester**

**Weeks**

- |   |   |
|---|---|
| I. Introduction to Accounting   | 2 |
| A. Students learn how personal skills, values, and lifestyle goals affect career decisions.   |   |
| B. They identify career opportunities in the accounting field, describe the types of businesses and organizations that hire accountants, and compare for-profit businesses and non-profit businesses. |   |
| C. Students learn the difference between the sole proprietorship, partnership and corporations, and the purpose of accounting and generally accepted accounting principles (GAAP).                    |   |
| II. The accounting equation   | 3 |
| A. Business transactions and the accounting equation  |   |
| 1. Students learn how to analyze and prepare financial records and transactions for a business.   |   |
| 2. Students learn the accounting equation and learn how to create and maintain spreadsheets using Microsoft Excel.  |   |
| B. Transactions that affect assets, liabilities, and owner's capital  |   |
| 1. Students prepare a chart of accounts and learn about the purpose of double entry accounting  |   |
| 2. Learn how to identify the normal balance of accounts.  |   |
| 3. Learn how to use T-accounts  |   |
| 4. Calculate the account balances after recording business transactions.  |   |
| C. Transactions that affect revenue, expenses, and withdrawals  |   |
| 1. Student learn the difference between temporary and permanent accounts  |   |
| 2. Learn how to apply the rules of debit and credit for revenue, expense, and withdrawal accounts   |   |
| 3. Test a series of transactions for equality of debits and credits.  |   |

## III. The basic accounting cycle

10

- A. Recording transactions to the general journal
  1. Students learn to collect and verify source documents, analyze business transactions, and record business transactions in a journal.
  2. Students learn the different types of accounting periods.
- B. Posting journal entries to general ledger accounts
  1. Students learn how to set up a four-column general ledger and learn about the posting process.
  2. Students learn how to prepare a trial balance.
  3. Students use Peachtree software to solve accounting problems.
- C. The six-column worksheet
  1. Students learn the purpose of the six-column worksheet
  2. Describe the parts of the worksheet
  3. Calculate net income and net loss
- D. Financial statements for a sole proprietorship
  1. Students learn the purpose of the income statement, balance sheet, and statement of cash flows and how to prepare these documents.
  2. Students also learn about ratio analysis and how to compute ratios.
- E. Completing the accounting cycle for a sole proprietorship
  1. Students learn why it is necessary to update accounts through closing entries, how to prepare the Income Summary account, analyze journalize, and post closing entries, and prepare a post-trial balance
  2. Students start using QuickBooks
- F. Cash control and banking activities
  1. Students learn the internal controls used to protect cash
  2. Forms needed to open and use a checking account
  3. Check writing and bank deposit preparation
  4. Bank statement reconciliation
  5. Journalizing and posting bank service charges

## IV. Accounting for a payroll system

2

- A. Payroll accounting
  1. Students learn different methods to compute gross pay, employee paid withholdings and net pay.
  2. Students learn to prepare payroll registers and prepare an employee's earnings record.
- B. Payroll liabilities and tax records
  1. Students learn to record payroll transactions in the general journal.
  2. Learn about payroll taxes.
  3. Compute and complete payroll tax expense forms
  4. Record the payment of tax liabilities in the general journal
  5. Complete payroll tax reports

**Second semester****Weeks**

## V. The Accounting cycle for a merchandizing corporation

9

- A. Accounting for sales and cash receipts
  1. Students will learn the difference between a service business and a merchandizing business.
  2. They will analyze transactions relating to the sale of merchandise and learn the difference between a retailer and wholesaler.
  3. Students will record a variety of sales and cash receipt transactions in a general journal.

- B. Accounting for Purchases and Cash Payments
  1. Students will process a purchase on account
  2. Identify controls over cash
  3. Identify the accounts used in the purchasing process.
  4. Analyze transactions relating to the purchase of merchandise
  5. Record a variety of purchases and cash payment transactions
  6. Post to the accounts payable subsidiary ledger
- C. Special journals: sales and cash receipts
  1. Students will identify the special journals and demonstrate how they are used in a merchandizing business
  2. Record transactions in sales and cash receipts journals
  3. Post for them sale and cash receipts journals to customer accounts in the accounts receivable subsidiary ledger
  4. Foot, prove, total, and rule the sales and cash receipts journals
  5. Post column totals from the sales and cash receipts journals to the general ledger account
  6. Prepare a schedule of accounts receivable
- D. Special journals: purchases and cash payments
  1. Students will record transactions in the cash payments journal
  2. Record payroll transactions in the cash payment journal
  3. Post from the purchases and cash payments journals to the general ledger and the accounts payable subsidiary ledger
  4. Total, prove, and rule the purchases and cash payments journals
  5. Prepare a schedule for accounts payable
  6. Prove cash
- E. Adjustments and the 10-column worksheet
  1. Students will generate the parts of a 10-column worksheet
  2. Generate trial balances and end-of-period adjustments
  3. Determine which general ledger accounts to adjust, calculate the adjustments
  4. Prepare a 10-column worksheet
  5. Journalize the adjustments
- F. Financial statements for a corporation
  1. Students will learn how to record ownership of a corporation
  2. Relationship between the worksheet and the financial statements for a merchandising corporation
  3. Prepare an income statement, statement of retained earnings, and balance sheet
  4. Describe the statement of cash flows for a merchandizing corporation and analyze the financial data contained on the statements
- G. Completing the accounting cycle for a merchandizing corporation
  1. Students will journalize entries for a merchandizing corporation
  2. Post closing entries to the general ledger accounts
  3. Prepare a post-closing trial balance
- H. Accounting for publicly held corporations
  1. Students will learn the characteristics of the corporate form of business organization
  2. Prepare journal entries to record the issue of stock to investors
  3. Prepare journal entries to record the distribution of earnings to owners
  4. Prepare financial statements for publicly held corporations

VI. The Accounting cycle for a merchandizing corporation

6

A. Cash Funds

1. Students will record the entry to establish a change fund
2. Prove the cash in the cash register drawers each business day
3. Open and replenish a cash fund
4. Journalize opening a petty cash fund
5. Prepare a petty cash requisition to replenish the cash fund
6. Use a petty cash register to record petty cash disbursements
7. Journalize replenishing the petty cash fund
8. Determine whether cash is short or over
9. Record the shortage or overage

B. Plant asset and depreciation

1. Students will identify plant assets
2. Explain the need to depreciate plant assets
3. Calculate partial-year depreciation of plant assets
4. Determine the book value of a plant asset
5. Record depreciation of plant assets
6. Prepare depreciation schedules

C. Uncollectible accounts receivable

1. Students will explain methods used to write off uncollectible accounts
2. Use the allowance method to record uncollectible accounts
3. Record the collection of an account previously written off
4. Describe two methods to estimate uncollectible accounts expense

D. Inventories

1. Students will learn the importance of maintaining accurate inventory records
2. Difference between a periodic and perpetual inventory system
3. Take a physical inventory count and record inventories
4. Determine the cost of merchandise inventory using the specific identification, first-in/first out, last in/first out, and weighted average cost methods
5. Assign a value to merchandise inventory using the lower-of-cost-or-market rule
6. Learn the accounting principles of consistency and conservation

E. Notes payable and receivable

1. Students learn why and how businesses use promissory notes
2. Calculate and record notes payable and receivable
3. Difference between interest-bearing and non-interest-bearing notes
4. Journalize transactions involving notes payable

VII. Additional accounting topics

2

A. Introduction to partnerships

1. Students learn the characteristics of a partnership
2. Various accounting functions involved with a partnership
3. Account for investments in a partnership
4. Account for partners' withdrawals
5. Allocate profits and losses to the partners by different methods

B. Financial statements and liquidation of a partnership

1. Students learn to prepare an income statement for a partnership
2. Prepare a statement of changes in partner's equity
3. Prepare the partner's equity section of a balance sheet
4. Account for partnership liquidation losses and gains
5. Prepare the final entry to liquidate a partnership

C. Ethics in accounting

1. Students will learn the meaning of ethics
2. Components of business ethics
3. Role of the accountant in business ethics
4. How ethical behavior benefits individuals, businesses, and society
5. The accounting organizations that establish codes of ethics for the profession

**DATE OF LAST CONTENT REVISION:** January 2007

**DATE OF CURRENT CONTENT REVISION:** August 2011

**DATE OF BOARD APPROVAL:** February 2007

**Addendum**

**THE CALIFORNIA BUSINESS EDUCATION CAREER PATH AND MODEL CURRICULUM STANDARDS**

California Business Education Career Path and Model Curriculum Standards for the finance and business industry sector career pathways in accounting services, banking and related services, and business financial management are:

**1.0 Academics**

Students understand the academic content required for entry into post-secondary education and employment in the finance and business sector.

**2.0 Communications**

Students understand the principles of effective oral, written, and multimedia communication in a variety of formats and contexts.

**3.0 Career Planning and Management**

Students understand how to make effective decisions, use career information, and manage personal career plans.

**4.0 Technology**

Students know how to use contemporary and emerging technological resources in diverse and changing personal, community, and workplace environments.

**5.0 Problem Solving and Critical Thinking**

Students understand how to create alternative solutions by using critical and creative thinking skills, such as logical reasoning, analytical thinking, and problem-solving techniques.

**6.0 Health and Safety**

Students understand health and safety policies, procedures, regulations, and practices, including the use of equipment and handling of hazardous materials.

**7.0 Responsibility and Flexibility**

Students know the behaviors associated with the demonstration of responsibility and flexibility in personal, workplace, and community settings.

**8.0 Ethics and Legal Responsibilities**

Students understand professional, ethical, and legal behavior consistent with applicable laws, regulations, and organizational norms.

**9.0 Leadership and Teamwork**

Students understand effective leadership styles, key concepts of group dynamics, team and individual decision-making, the benefits of workforce diversity, and conflict resolution.

**10.0 Technical Knowledge and Skills**

Students understand the essential knowledge and skills common to all pathways in the finance and business sector.