

Cedar Grove School District

Cedar Grove, NJ

2017 | **Grades 11-12**

Accounting



Superintendent of Schools
Mr. Michael J. Fetherman

Board of Education
Mrs. Christine Dye, President
Mr. Frank Mandala, Vice-President
Mr. Peter Prvulovic
Mr. David Schoner
Mr. Vincent Vollero

Accounting

Course Description

Accounting provides students with an understanding of the principles, concepts, and practices underlying the preparation of financial statements. Students will develop the ability to interpret financial statements. Since this course is intended to assist the student in professional preparation, students will be expected to develop their communication, problem-solving, analytical, and technical skills.

By the end of the course, students will be able to:

- Become comfortable with accounting terminology.
- Improve their awareness of current issues in accounting and finance.
- Understand and prepare the basic financial statements.
- Develop the ability to make reasonable estimates of firms' financial health, including the ability to make comparisons across firms and across periods.
- Develop the ability to communicate to other professionals the implications of various financial reporting issues.

This curriculum was written in accordance with the
2014 NEW JERSEY STUDENT LEARNING STANDARDS FOR
21st CENTURY LIFE & CAREERS
and the
2014 NEW JERSEY STUDENT LEARNING STANDARDS FOR
TECHNOLOGY

These standards can be viewed at
<http://www.state.nj.us/education/cccs/>

Accounting Course Calendar

Unit:	Sep		Oct				Nov				Dec		Jan			Feb			Mar			Apr			May			Jun															
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40			
<u>Unit 1 Construct and Analyze Financial Statements</u>																																											
<u>Unit 2 Internal Control and Cash</u>																																											
<u>Unit 3 Accounting for Short-Term and Fixed Assets</u>																																											
<u>Unit 4 Liabilities and Stockholders' Equity</u>																																											



Unit 1: Construct and Analyze Financial Statements

Collaboration

Stage 1: Desired Results

NJ Standards

NJ: 2014 SLS: 21st Century Life and Careers

NJ: Grade 12

9.3 – Career & Technical Education (CTE): Business Management And Administration Career Cluster®

Career Cluster®: Business Management And Administration (BM)

- 9.3.12.BM.1 Utilize mathematical concepts, skills and problem solving to obtain necessary information for decision-making in business.
- 9.3.12.BM.2 Describe laws, rules and regulations as they apply to effective business operations.

9.3 – Career & Technical Education (CTE): Finance Career Cluster®

Career Cluster® : Finance (fn)

- 9.3.12.FN.9 Plan, manage and maintain the use of financial resources to protect solvency.
- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.

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.

NJ: 2014 SLS: Technology

NJ: Grades 9-12

8.1 Educational Technology

8.1 Educational Technology: All students will use digital tools to access, manage, evaluate, and synthesize information in order to solve problems individually and collaborate and to create and communicate knowledge.

A. Technology Operations and Concepts: Students demonstrate a sound understanding of technology concepts, systems and operations.

- 8.1.12.A.4 Construct a spreadsheet workbook with multiple worksheets, rename tabs to reflect the data on the worksheet, and use mathematical or logical functions, charts and data from all worksheets to convey the results.

Enduring Understandings

- Accounting is considered the language of business.
- Understand the fundamental accounting equation; defining and giving examples of each account and its classification.
- Identify which items belong on and ability to read each Financial Statement.
- Ability to record transactions, make adjusting entries, in order to construct each Financial Statements.
- The most logical order to prepare financial statements.

Essential Questions

- Discuss the various ways businesses can be organized, noted advantages and disadvantages for each.
- What financial information would be useful to an investor in deciding to provide resources to a company?
- Where do you look to find out how well a company performs during the year?
- What are some questions that can help guide businesses in making ethical decisions?

- Apply the double-entry system of accounting, utilizing the rules of debits and credits and T-accounts, as needed.

- How do you analyze the impact of business transactions on accounts?
- Differentiate between accrual accounting and cash-basis accounting.
- What are some examples of how a company recognizes revenues differently for customers that pay in advance vs. at the time of use.

Content

- Explain why accounting is the language of business.
- Explain and apply underlying accounting concepts, assumptions, and principles.
- Apply the accounting equation to business organizations.
- Evaluate business operations through the financial statements.
- Construct financial statements and analyze the relationships among them.
- Evaluate business decisions ethically.
- Explain what a transaction is.
- Define "account" and list and differentiate between different types of accounts.
- Show the impact of business transactions on the accounting equation.
- Analyze the impact of business transactions on accounts.
- Record (journalize and post) transactions in the books.
- Construct and use a trial balance.

Skills

- Ability to manage personal bank accounts, budget monthly income and expenses.
- Utilize mathematical techniques to detect reconciling errors in personal checking accounts.
- Build analytical skills to assist in financial decisions (buy a home or rent an apartment).
- Differentiating the ways to organize a business is essential if decide to start a business or in a managerial position.
- Expand knowledge of business terminology, for use in both personal lives and in the business world.
- Identify where to gather information, what to look for and how to proceed if you are considering investing in a company/purchasing stock or joining a company as an employee.
- Understand timing differences: apply the revenue recognition principle with the ability to differentiate between earning and actually receiving revenue. When you work, you earn your pay (work) and then receive a paycheck (cash/check).
- Understand timing differences: apply the expense recognition principle of incurring expenses vs. paying. After you incur/utilize certain expenses (heating your home), you will then receive a bill and pay for the previous period (month). The reverse of paying in advance (rent, tuition) before use also incurs.
- Posting in a ledger is similar to and will enable the ability to use a checkbook.

Stage 2: Assessment Evidence

Assessments

Unit Notes

Formative: Lecture/seminar

Create Excel Spreadsheets

Formative: Technology Project

Class Discussions

Formative: Lecture/seminar

Sample Practice Questions/Problems in multiple formats

Formative: Other written assessments

Unit Test

Summative: Written Test

Stage 3: Learning Plan


Learning Activities

Suggested Learning Activities:

- Notes
- Class Discussions
- Critical Thinking Questions and Practice Problems
- Case Studies
- Technology Infusion
- Group Collaboration Work
- Individual Project

Resources

Suggested Resources:

- *Financial Accounting Eleventh Edition*. Harrison, Walter T., Horngren, Charles T., Thomas, C. Williams, Tietz, Wendy. Pearson. 2016
- *MyAccountingLab*. 
<https://www.pearsonmylabandmastering.com/northamerica/myaccountinglab/>
- Guest Speakers, as available.
- Films/Videos:
 - *Enron: The Smartest Guys in the Room (2005)*
- Teacher Created Materials:
 - PowerPoints
 - Notes,
 - Study Guides
 - Review Games (Kahoot, Jeopardy, etc.).
 - Excel Spreadsheets (Sheets),



Unit 2: Internal Control and Cash

Collaboration

Stage 1: Desired Results

NJ Standards

NJ: 2014 SLS: 21st Century Life and Careers

NJ: Grade 12

9.3 – Career & Technical Education (CTE): Business Management And Administration Career Cluster®

Business Information Management (BM-BIM)

- 9.3.12.BM-BIM.1 Describe and follow laws and regulations affecting business operations and transactions.
- 9.3.12.BM-BIM.2 Plan, monitor, manage and maintain the use of financial resources to ensure a business's financial wellbeing.

9.3 – Career & Technical Education (CTE): Finance Career Cluster®

Career Cluster® : Finance (fn)

- 9.3.12.FN.8 Describe and follow laws, regulations and ethical standards that affect finance operations and transactions.
- 9.3.12.FN.14 Employ financial risk-management strategies and techniques used to minimize business loss.

Enduring Understandings

- The two different types of fraud by the parties that commit it and who is injured.
- The types of entities that encounter fraud and its impact on them.
- The control procedures that should be in place in every accounting system.
- In preparing a bank reconciliation, the adjustments to the balancer per bank, per books and the impacts.
- The key internal controls over cash receipts and cash payments.

Essential Questions

- What is fraud and describe the three elements of the "fraud triangle" that are present in all frauds? Explain why employees commit fraud with examples.
- Name the primary way that fraud is prevented, detected or corrected. Explain its five objectives?
- Why was the Sarbanes-Oxley Act (SOX) created and what are some of the SOX provisions?
- How does a business achieve good internal controls?
- What are the parts of the cash budget and decisions that can be made from the results?

Content

- Describe fraud and its impact.
- Explain the objectives and components of internal control.
- Design and use a bank reconciliation.
- Evaluate internal controls over cash receipts and cash payments.
- Construct and use a cash budget.
- Report cash on the balance sheet.

Skills

- Identify the correlation between fraud committed in entities and the financial damages that must be borne by the public in the form of higher prices and taxes.
- Understand your obligations to report, knowledge of the consequences to take part in unethical behaviors in the workplace or in everyday life situations.
- Apply knowledge of computer fraud and the security measures taken in order to safeguard your personal information, avoiding financial loss due to theft.

- Use and understand banking terminology, have the ability to reconcile a bank account.
- Managing your cash receipts and payments by constructing a cash budget. Then using it for decision making on how much to spend on your education, an automobile or house.

Stage 2: Assessment Evidence

Assessments

Unit Notes

Formative: Other written assessments

Class Discussions

Formative: Lecture/seminar

Sample Practice Questions/Problems in multiple formats

Formative: Other written assessments

Unit Test

Summative: Written Test

Stage 3: Learning Plan


Learning Activities

Suggested Learning Activities:

- Notes
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- Critical Thinking Questions and Practice Problems
- Case Studies
- Technology Infusion
- Group Collaboration Work
- Individual Project

Resources

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- Teacher Created Materials:
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 - Notes,
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 - Review Games (Kahoot, Jeopardy, etc.).
 - Excel Spreadsheets (Sheets),



Unit 3: Accounting for Short-Term and Fixed Assets

Collaboration

Stage 1: Desired Results

NJ Standards

NJ: 2014 SLS: 21st Century Life and Careers

NJ: Grade 12

9.3 – Career & Technical Education (CTE): Finance Career Cluster®

Career Cluster® : Finance (fn)

- 9.3.12.FN.1 Utilize mathematical concepts, skills and problem solving to obtain necessary information for decision making in the finance industry.

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.

9.3 – Career & Technical Education (CTE): Science, Technology, Engineering & Mathematics Career Cluster®

Science & Mathematics Career Pathway (ST-SM)

- 9.3.ST-SM.4 Apply critical thinking skills to review information, explain statistical analysis, and to translate, interpret and summarize research and statistical data.

Enduring Understandings

- The three categories of investments in marketable securities and their classifications.
- The period in which doubtful accounts expense should be recognized and its effect on accounts receivable.
- Formula/Ratio calculations and how they are used to analyze the various asset accounts.
- The four cost methods that are allowed by GAAP for inventory and ways to calculate each of them.
- The value used to record plant assets under GAAP and which costs to include with it.
- A capital expenditure differs from an immediate expense.
- Measure and record depreciation, depletion and amortization on plant assets, natural resources and intangible assets, respectively.

Essential Questions

- What are the key differences between each of the three marketable securities?
- Can you identify and calculate using each of the two methods for establishing the allowance for doubtful accounts?
- What are the advantages and disadvantages of using each of the cost methods for inventory. Identify the differences as there are changes in the economy.
- How do you calculate depreciation and record it in the financial statements? Explain how each method effects net income and taxes.

Content

Skills

- Account for short-term investments, accounts receivables and notes receivables.
- Evaluate collectability using the allowance for uncollectible accounts.
- Show how to account for inventory; apply and compare various inventory cost methods.
- Use the cost-of-goods-sold (COGS) model to make management decisions.
- Analyze effects of inventory errors.
- Measure and account for the cost of plant assets.
- Distinguish a capital expenditure from an immediate expense.
- Measure and record depreciation on plant assets.
- Analyze the effect of a plant asset disposal
- Explain the effect of an asset impairment on the financial statements
- Apply GAAP for proper revenue recognition, natural resources and intangible assets.
- Compute and analyze liquidity, gross profit (margin) percentage, inventory turnover, rate of return on assets and others using various ratios.

- Relate by comparison of a business giving title to a customer (recognizes revenue) at different shipping points to when you, a customer, order a product and are obligated to pay.
- Identify actions companies take to speed up collections. An everyday life example, discounts offered if you pay by next week but you have until the end of the month. Discover ways to encourage a friend to pay you back more quickly.
- Make the connection to a school fundraiser. If you sell all your inventory for the same price but not all of items cost the same, how do you determine your profit?
- Understand that when you buy an automobile, it depreciates in value over time; which means the cost/price you paid will be different than what you can sell it for (book value).

Stage 2: Assessment Evidence

Assessments

Unit Notes

Formative: Lecture/seminar

Class Discussions

Formative: Lecture/seminar

Sample Practice Questions/Problems in multiple formats

Formative: Other written assessments

Unit Test

Summative: Written Test

Stage 3: Learning Plan


Learning Activities

Suggested Learning Activities:

- Notes
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- Critical Thinking Questions and Practice Problems
- Case Studies
- Technology Infusion
- Group Collaboration Work
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Resources

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- Teacher Created Materials:
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 - Review Games (Kahoot, Jeopardy, etc.).
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Unit 4: Liabilities and Stockholders' Equity

Collaboration

Stage 1: Desired Results

NJ Standards

NJ: 2014 SLS: 21st Century Life and Careers

NJ: Grade 12

9.1 Personal Financial Literacy

Strand B: Money Management

- 9.1.12.B.1 Prioritize financial decisions by systematically considering alternatives and possible consequences.
- 9.1.12.B.8 Describe and calculate interest and fees that are applied to various forms of spending, debt, and saving.

9.3 – Career & Technical Education (CTE): Business Management And Administration Career Cluster®

Operations Management (BM-OP)

- 9.3.12.BM-OP.1 Describe and follow laws and regulations affecting business operations and transactions.

9.3 – Career & Technical Education (CTE): Finance Career Cluster®

Career Cluster® : Finance (fn)

- 9.3.12.FN.9 Plan, manage and maintain the use of financial resources to protect solvency.

Accounting (FN-ACT)

- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.

Enduring Understandings

- The difference between a note payable and an account payable.
- The difference between a contingent liability and an estimated liability.
- GAAP usually requires a company to use the effective interest method to account for bond premiums or discounts but there is an exception to allow the straight-line method.
- The relative advantages and disadvantages of financing with additional debt vs. equity.
- The characteristics of a corporation and the real owners of a corporation.
- The accounts that comprise the stockholders' equity section of the balance sheet, the proper order, and their normal balances (debit or credit).

Essential Questions

- What are accrued liabilities and unearned revenues? Define and give examples. How are they recorded in the financial statements? Calculate and explain.
- Calculate ratios used to analyze accounts payable? How do you compute these ratios? What do they tell?
- What are the different types of bonds and the difference in accounting for bonds under the effective interest method vs. the straight-line method?
- What are some current and long-term liabilities that may be reported in what order are they classified in the financial statements?
- Prepare journal entries for the issuance of stock, under various situations.
- What two things are usually required for a corporation to declare and pay cash dividends? Describe the relationship, if any, between them.

Content

- Account for current and contingent liabilities.
- Account for bonds payable and interest expense.
- Analyze and differentiate financing with debt vs. equity.
- Understand other long-term liabilities.
- Report liabilities on the financial statements.
- Explain the features of a corporation.
- Account for the issuance of stock.
- Show how treasury stock affects a company.
- Account for retained earnings, dividends, and splits.
- Use stock values in decision making.
- Report stockholders' equity transactions in the financial statements.

Skills

- Identify principal vs. interest portions of loans (credit card, car, mortgage). Find correlation between interest rate and ability to pay down the principal portion. Recognize lower interest rates give you better buying power.
- Understand contingent liabilities (lawsuits) that are listed on financial statements of a company that you are considering investing in.
- Ability to invest in bonds as you develop an understanding of terminology.
- Decision making abilities in raising funds from loans or investors to start a business. Students should be able to weigh out the benefits and drawbacks of each.

Stage 2: Assessment Evidence

Assessments

Unit Notes

Formative: Lecture/seminar

Sample Practice Questions/Problems in multiple formats

Formative: Other written assessments

Class Discussions

Formative: Lecture/seminar

Annual Report Project

Summative: Written Report

Unit Test

Summative: Written Test

Stage 3: Learning Plan


Learning Activities

Suggested Learning Activities:

- Notes
- Class Discussions
- Critical Thinking Questions and Practice Problems
- Case Studies
- Technology Infusion
- Group Collaboration Work
- Annual Report Year End Project

Resources

Suggested Resources:

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<https://www.pearsonmylabandmastering.com/northamerica/myaccountinglab/>
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