COURSE TITLE: Accounting I

COURSE NUMBER: BAC 101

I. RATIONALE:

Accounting has often been termed “the language of business”. Accounting methods govern how companies will keep track of their activities. This course will help students understand revenues, expenses, profit and loss and other key business concepts.

II. MAJOR INSTRUCTIONAL GOALS:

GOAL A:
The student will gain an understanding of the purpose of accounting, including its role in business and society.

Learning Outcomes: The student will

A-1 Define accounting.
A-2 Identify users of accounting.
A-3 Explain the importance of GAAP (generally accepted accounting principles).
A-4 Identify basic GAAP principles and concepts.
A-5 Define assets, liabilities, and owner’s equity.
A-6 Use the accounting equation to record basic business transactions.

GOAL B:
The student will understand the basic elements and formats of the Income Statement, Statement of Owner’s Equity, and Balance Sheet and how these financial statements tie together.

Learning Outcomes: The student will

B-1 Prepare a basic Income Statement.
B-2 Prepare a basic Statement of Owner’s Equity.
B-3 Prepare a basic Balance Sheet.
B-4 Explain how the Income Statement, Statement of Owner’s Equity, and Balance Sheet are linked together.
GOAL C:
The student will analyze business transactions to prepare and post journal, adjusting, and closing entries.

Learning Outcomes: The student will

C-1 Explain accounting terms such as account, ledger, journal and trial balance.
C-2 Apply the rules of debit and credit to record increases and decreases in asset, liability, owner’s equity, revenue and expense accounts.
C-3 Record transactions in the journal format.
C-4 Post from a journal to the ledger.
C-5 Take a trial balance.
C-6 Adjust the accounts to record prepaid and accruals.
C-6 Close the temporary accounts.

GOAL D:
The student will distinguish accrual-basis accounting from cash-basis accounting.

Learning Outcomes: The student will

D-1 Explain cash-basis accounting.
D-2 Explain accrual-basis accounting.
D-3 Explain why GAAP requires accrual-basis accounting.
D-4 Explain the time-period concept and the revenue and matching principles.

GOAL E:
The student will account for inventory using the perpetual inventory system and determine ending inventory by the FIFO, LIFO, and Weighted-Average cost methods.

Learning Outcomes: The student will

E-1 Define merchandising terms such as sales revenue inventory, cost of goods sold, gross margin, and net income.
E-2 Account for the cost of inventory including purchase discounts, returns and allowances and transportation costs.
E-3 Journalize the purchase of inventory.
E-4 Account for the sale of inventory including sales discounts and allowance.
E-5 Journalize the sale of inventory.
E-6 Adjust and close the accounts of a merchandising business.
E-7 Prepare a merchandiser’s financial statements.
E-8 Compute ending inventory by the FIFO, LIFO, and average cost methods.
GOAL F:
The student will prepare bank reconciliation and related journal entries.

Learning Outcomes: The student will

F-1 Define internal control.
F-2 Describe the elements of good internal control.
F-3 Describe effective internal controls for cash receipts and disbursements.
F-4 Prepare a bank reconciliation and related journal entries.

GOAL G:
The student will estimate the contra account related to Accounts Receivable; i.e. the Allowance for Doubtful Accounts, and prepare related entries—showing net Accounts Receivable.

Learning Outcomes: The student will

G-1 Define accounts and notes receivable.
G-2 Identify the two methods of recognizing uncollectible receivables.
G-3 Explain why GAAP requires the allowance method for reporting receivables.
G-4 Estimate uncollectible receivables using the percentage-of-sales method.
G-5 Journalize the required entries to record uncollectible receivables.
G-6 Report receivables on the Balance Sheet.

GOAL H:
The student will account for the acquisition, disposal, and depreciation of plant assets.

Learning Outcomes: The student will

H-1 Account for the cost of a plant asset.
H-2 Define depreciation and book value of plant assets.
H-3 Calculate depreciation using the straight-line, units-of-production, and double-declining methods of depreciation.
H-4 Discuss the advantages of each depreciation method.
H-5 Account for the disposal, sale, and trade of plant assets.
H-6 Differentiate between a capital expenditure and an expense.

GOAL I:
The student will account for current and contingent liabilities including payroll amounts and entries.

Learning Outcomes: The student will
I-1 Define current obligations including trade, short-term, and short-term issued
at a discount liabilities.
I-2 Calculate interest expense.
I-3 Journalize interest and accrued interest expense.
I-4 Recognize the liability and expense for payroll taxes.
I-5 Calculate gross and net pay.
I-6 Journalize payroll including withholding taxes and employer payroll taxes.

GOAL J:
The student will understand the elements of a corporation’s Income Statement, Statement of Stockholders’ Equity, and Statement of Retained Earnings.

Learning Outcomes: The student will

J-1 Define a corporation.
J-2 List the characteristics of a corporation.
J-3 Discuss stockholder rights.
J-4 Identify the two main classes of stock.
J-5 Journalize issuances of stock at par and at a premium.
J-6 Identify the parts of the Statement of Stockholders’ Equity.