

COURSE NUMBER:	BUSN-171OL
COURSE TITLE:	Financial Accounting
CREDIT HOURS:	Three
INSTRUCTOR:	Carolyn Nelson
OFFICE LOCATION:	Weinberg Hall Room 121
OFFICE HOURS:	As posted
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PREREQUISITES:	None
REQUIRED TEXT:	<i>Financial Accounting, Information for Decisions, 4th Edition, John J. Wild and related Working Papers CDRom using Microsoft Excel software.</i>
COURSE DESCRIPTION:	An introduction to basic accounting concepts and includes the collecting, recording, and reporting data. This course will also introduce corporations. This course is for students with little or no prior knowledge of accounting and will benefit career development of students from all disciplines.
EXPECTED LEARNER OUTCOMES:	<p><u>Part I Accounting Principles and Practices</u></p> <ol style="list-style-type: none"> 1. Define accounting and explain the function and purpose. 2. Discuss basic accounting concepts. 3. Identify the major financial statements and explain their uses. <p><u>Part II Accounting Systems for Recording Business Transactions</u></p> <ol style="list-style-type: none"> 1. Explain the accounting equation and identify its components. 2. Identify the tools used in recording business transactions. 3. Explain rule of debits and credits. 4. Record a transaction in formal accounting records.

5. Prepare a trial balance.
6. Discuss correction of accounting errors.

Part III Reporting and Preparing Financial Statements

1. Discuss common types of accounting systems.
2. Discuss accrual basis adjustments.
3. Complete end of period procedures.

Part IV Merchandising Operations

1. Introduce and define merchandising terms.
2. Collect accounting information from an invoice.
3. Read debit and credit memorandums.
4. Calculate cost of goods sold.

Part V Inventories and Inventory Management

1. Understand and determine proper inventory valuation.
2. Determining proper inventory valuation.
3. Understand the use of inventory systems.

Part VI Cash Management

1. Discuss the use of checking accounts and preparing bank reconciliations.
2. Discuss petty cash uses and controls.

Part VII Long Term Assets

1. Discuss the classification of plant assets.
2. Demonstrate the accounting procedures necessary for natural resources.
3. Explain accounting techniques used in accounting for intangible assets.

Part VIII Reporting and Analyzing Equity

1. Discuss corporate business organization forms.
2. Describe capital stock transactions.
3. Discuss dividends.
4. Compute earnings per share.

Part IX Reporting and Analyzing Cash Flow

1. Discuss activities that generate/use cash.
2. Describe the indirect method of reporting operating activities.

LEARNING TASKS & ACTIVITIES:

Problems and exercises will be assigned to demonstrate the practical application of the topic under discussion.

ASSESSMENT OF OUTCOMES:

Chapter quick study questions, exercises and problems are to be completed by using the Working Papers CD Rom. You must have access to Microsoft Excel software. Load the following

chapter files from your CD Rom to a Financial Accounting folder created on your hard drive: Chapters 1, 2, 3, 4, 5, 6, 8, 11, 12. As you complete the assigned questions, exercises and problems, save the completed worksheet pages to a file name that has the chapter number.

NOTE: In most chapters the working papers have more than one question or exercise on each worksheet. Save your completed assignment and upload thru the assignment link for that chapter.

Also some of the assigned problems have more than one worksheet page. When appropriate please make sure that all pages are saved and uploaded.

Chapter quizzes are used to test the student's comprehension and application of accounting concepts. The exam format is true/false and multiple choice questions.

Grades will be based on the following schedule.

<i>Assignment</i>	<i>Points</i>
Chapter Quizzes (9 chapters @ 50pts. each)	450
Homework (Quick Study Questions, Exercises and Problems)	480
Discussion Questions (9 chapter original posts @ 15 pts. each)	135
Discussion Questions (9 chapter posts to 1 student @ 10 pts. each)	90
Final Problem	<u>100</u>
Total Points	<u>1,255</u>

NOTE: Because accounting is a subject that you learn by practicing, I have identified 185 points available thru extra credit homework problems. These points are added into the total points earned. It is possible to exceed the total points of 1,255.

<i>Grade</i>	<i>Percentage</i>	<i>Total Points</i>
A	100-90%	1255 - 1130
B	89-80%	1129 - 1004
C	79-70%	1003 - 879
D	69-60%	878 - 753
F	Below 60%	752 and below

Additional Information:

Plagiarism and cheating is unacceptable.

You must complete Pre-test Rubric, Chapters 1 and 2 assignments by Wednesday, February 16, 2011, at 11:55 pm CST, or you will be dropped from the class. Please note that each of these chapters have specific due dates. You must complete each assignment by its due date.

THIS SYLLABUS IS SUBJECT TO REVISION WITH PRIOR NOTICE TO THE STUDENT BY THE INSTRUCTOR.

Financial Accounting Competencies

I. ACCOUNTING PRINCIPLES AND PRACTICES

DEFINE ACCOUNTING AND EXPLAIN ITS FUNCTIONS AND PURPOSES

1. Define Accounting. (Knowledge)
2. List the three functions of accounting. (Knowledge)
3. Discuss how various “user groups” will use accounting data. (Application)
4. List the basic accounting principles. (Knowledge)

IDENTIFY THE MAJOR FINANCIAL STATEMENTS AND EXPLAIN THEIR USES

5. List the major financial statements and describe the information found on each report. (Knowledge)
6. Compare the relationship of each financial report to each other. (Application)

II. ACCOUNTING SYSTEMS FOR RECORDING BUSINESS TRANSACTIONS

EXPLAIN THE ACCOUNTING EQUATION AND IDENTIFY EACH OF ITS COMPONENTS

7. Define each part of the accounting equation. (Knowledge)
8. Distinguish between a real and a nominal account. (Application)
9. Analyze and record a transaction using the accounting equation. (Application)

IDENTIFY THE TOOLS USED IN RECORDING BUSINESS TRANSACTIONS

10. Define the basic tools used (Chart of Accounts, Accounts, Ledgers, and Journals) in recording business transactions. (Knowledge)
11. Prepare a Chart of Accounts. (Application)
12. Identify its basic components of an account. (Understanding)
13. Describe the organization of a ledger. (Understanding)
14. Name the basic parts of a journal. (Understanding)

EXPLAIN THE RULE OF DEBITS AND CREDITS

15. Define debit and credit. (Knowledge)
16. Explain how the rule of debit and credit is applied to the accounting equation. (Understanding)

TO RECORD A TRANSACTION IN FORMAL ACCOUNTING RECORDS

17. List the first five steps in the accounting cycle. (Knowledge)
18. Record a transaction in a journal. (Application)
19. Describe the posting process. (Knowledge)
20. Post transaction to the ledger. (Application)

PREPARE A TRIAL BALANCE

21. Define a trial balance. (Understanding)
22. Prepare a trial balance. (Application)

III. REPORTING AND PREPARING FINANCIAL STATEMENTS

DISCUSS COMMON TYPES OF ACCOUNT SYSTEMS USED IN PRACTICE TODAY

23. Describe the common accounting systems. (Knowledge)

DISCUSS THE NEED FOR ADJUSTMENTS IN AN ACCRUAL BASIS ACCOUNTING SYSTEM

24. Explain the need for adjustments. (Understanding)
25. Define Accruals and Deferrals. (Knowledge)
26. Define Depreciation as it is used in the accounting system. (Understanding)
27. Discuss how contra accounts are used in the accounting system. (Understanding)
28. Determine end adjustments necessary at end of period. (Application)
29. Record end of period adjustments. (Understanding)

COMPLETE END OF PERIOD PROCEDURES

30. Define closing entries. (Knowledge)
31. Describe which accounts are closed and why. (Understanding)
32. List the four steps required to close the accounting records. (Knowledge)
33. Define a post-closing trial balance and explain its function. (Understanding)

IV. MERCHANDISING OPERATIONS

INTRODUCE AND DEFINE MERCHANDISING TERMS

34. Define and classify merchandise, merchandise inventory, sales, purchases as used in merchandising operations, transactions, and etc. (Knowledge)

READ AND COLLECT ACCOUNTING INFORMATION FROM AN INVOICE

35. Identify the six types of information that is collected from an invoice.
(Knowledge)
36. Calculate trade and cash discounts. (Understanding)
37. Determine length of cash discount period. (Understanding)
38. Using FOB terms, determine who (buyer or seller) pays shipping charges.
(Understanding)

READ AND USE DEBIT AND CREDIT MEMORANDUMS

39. Define Debit and Credit Memorandum. (Knowledge)

CALCULATE COST OF GOODS SOLD

40. Define Cost of Goods Sold. (Knowledge)
41. List the formula for calculating Cost of Goods Sold. (Knowledge)
42. Discuss the importance of Gross Profit. (Knowledge)
43. Calculate Gross Profit. (Understanding)

PREPARE YEAR END INFORMATION FOR A MERCHANDISE ORGANIZATION

44. Prepare a set of financial statements for merchandising organization.
(Understanding)

V. INVENTORIES AND INVENTORY MANAGEMENT

UNDERSTAND THE IMPORTANCE OF PROPER INVENTORY VALUATION

45. List three reasons why proper valuation of inventories is important in financial statement presentation. (Knowledge)

DETERMINE PROPER INVENTORY VALUATION

46. Define and calculate each of the following inventory methods:
 - a. Specific Costing
 - b. First – In First – Out
 - c. Last – In First – Out
 - d. Weighted Average
 - e. Lower of Cost or Market, whichever is smaller (Knowledge)

UNDERSTAND THE USE OF INVENTORY SYSTEMS

47. Compare the difference between a periodic and perpetual inventory system. (Understanding)
48. Journalize inventory transactions using the perpetual inventory systems. (Understanding)

VI. CASH MANAGEMENT

DISCUSS THE USE OF CHECKING ACCOUNTS AND PREPARING BANK RECONCILIATIONS

49. List the advantages of using a checking account. (Knowledge)
50. Define and discuss the purpose of a bank reconciliation. (Knowledge)
51. Prepare a bank reconciliation. (Understanding)
52. Determine and record the journal entries necessary as a result of the bank reconciliation. (Application)

DISCUSS PETTY CASH USES AND CONTROLS

53. Define Petty Cash. (Knowledge)
54. Explain how the petty cash fund is established and used. (Understanding)
55. Prepare the journal entry necessary to reimburse the petty cash fund. (Understanding)

VII. LONG-TERM ASSETS

EXPLAIN THE CLASSIFICATION OF PLANT ASSETS

56. Define and list the characteristics of a plant asset. (Knowledge)
57. Discuss how the cost of a plant asset is determined and how life and salvage value are estimated. (Understanding)
58. Distinguish between a capital and revenue expenditure. (Understanding)
59. Calculate depreciation using each of the following methods.
 - a. Straight Line
 - b. Units Of Production
 - c. Declining Balance
 - d. Accelerated Cost Recovery System. (Understanding)
60. Journalize the transactions to record the purchase/disposal of a plant asset and annual depreciation. (Application)
61. Explain why land is not depreciated. (Application)

**DEMONSTRATE THE ACCOUNTING PROCEDURES NECESSARY FOR
NATURAL RESOURCES**

- 62. Define natural resource. (Knowledge)
- 63. Define depletion. (Knowledge)
- 64. Calculate depletion of a natural resource. (Understanding)

**EXPLAIN ACCOUNTING TECHNIQUES USED IN ACCOUNTING FOR
INTANGIBLE ASSETS**

- 65. Define intangible assets. (Knowledge)
- 66. Define Amortization. (Knowledge)
- 67. Journalize transactions to record amortization of intangible assets. (Application)
- 68. Discuss how the cost and life of an intangible asset is determined.
(Understanding)

VIII. REPORTING AND ANALYZING EQUITY

DISCUSS CORPORATE BUSINESS ORGANIZATION FORMS

- 69. Describe the nature of the corporate form of an organization. (Knowledge)

DESCRIBE CAPITAL STOCK TRANSACTIONS

- 70. List two sources of stockholders' equity. (Knowledge)
- 71. List the major sources of paid in capital and various stock. (Knowledge)
- 72. Journalize stock transactions. (Application)

DISCUSS DIVIDENDS

- 73. Journalize cash and stock dividends. (Application)
- 74. Compute earnings per share. (Application)

IX. REPORTING AND ANALYZING CASH FLOWS

DISCUSS BASICS OF CASH FLOW REPORTING

- 75. Define operating activities. (Knowledge)
- 76. Define investing activities. (Knowledge)
- 77. Define financing activities. (Knowledge)

DISCUSS INDIRECT REPORTING METHOD FOR OPERATING ACTIVITIES

- 78. Prepare Statement of Cash Flow using the indirect method. (Application)