Course Syllabus

Introduction to Accounting II

Revision Date: September 24, 2015

Catalog Description: A study of accounting for merchandising, notes payable, notes receivable, valuation of receivables and equipment, and valuation of inventories in a manual and computerized environment.

Lecture hours = 2 Lab hours = 4

Prerequisites: ACNT 1303 with a grade of “C” or better or approval of instructor

Semester Credit Hours: 3
Lecture Hours per Week: 2
Lab Hours per Week: 4
Contact Hours per Semester: 96

State Approval Code: 52.0302

Instructional Goals and Purposes: The purpose of this course is to teach students the principles and applications of accounting for a merchandising business.

Learning Outcomes:
1. Apply accounting principles for a service enterprise and expand on those principles for a merchandising business.
2. Apply steps involved in the accounting cycle to a merchandising business.
3. Analyze and record specific transactions involving valuating and maintaining records for receivables, inventories, and plant and equipment.
4. Define a partnership form of enterprise and analyze and record transactions involving a partnership.
5. Use the computer in accounting for accounts receivable, accounts payable, and general ledger for a merchandising business.

Specific Course Objectives (includes SCANS):
After studying all materials and resources presented in the course, the student will be able to:

1. Apply accounting principles for a service enterprise and expand on those principles for a merchandising business.
   a. Use accounting terms presented in previous instruction and learn and use additional accounting terms. (1a-v, 1b-v)
   b. Analyze financial activities of a merchandising business—including purchases and sales of merchandise, trade discounts, cash discounts, return of merchandise by customer or to supplier, and transportation charges on merchandise deliveries. (1a-i, 1b-ii, 1b-iv, 1c-i, 2c-i, 2c-ii, 2c-iii)
   c. Classify accounts, including new accounts presented for a merchandising business. (1b-ii)

2. Apply steps involved in the accounting cycle to a merchandising business.
a. Analyze and record transactions in the appropriate journal—Sales, Purchases, Cash Receipts, Cash Payments, or General—or in a Voucher Register or Check Register if using a voucher system. (1a, 1a-ii, 1b-i, 1b-ii, 1a-ii, 1c-i, 2a-ii, 2a-ii, 2b-i, 2b-ii, 2d-i, 2d-ii)
b. Post from journal(s) to ledger(s), including both individual posting and summary posting to general ledger, accounts receivable ledger, and/or accounts payable ledger. (1a, 1b-i, 1c-i, 2a-i, 2b-i, 2c-i, 2c-ii, 2d-i, 2d-ii)
c. Prepare a trial balance. (1a-ii, 1a-iii)
d. Prepare schedules of accounts receivable and accounts payable. (1a-ii, 1a-iii)
e. Determine adjustments needed and record on a work sheet (including adjustments for merchandise inventory, unearned revenue, depreciation, expired insurance, supplies used, estimated losses from bad debts, and accrued wages or salaries).
f. Prepare a work sheet. (1a-ii, 1b-ii, 1b-vi, 2a-ii, 2b-i, 2c-i, 2c-ii, 2c-iii, 2b-i, 2d-i, 2d-ii)
g. Prepare financial statements (income statement, statement of owner’s equity, and classified balance sheet). (1a-ii, 1a-iii)
h. Analyze financial statements by computing working capital, current and quick ratios, return on owner’s equity, accounts receivable turnover average, and inventory turnover average. (1a-iii)
i. Journalize and post adjusting entries. (1a-i, 1a-ii, 1c-i, 2d-i, 2d-ii)
j. Journalize and post closing entries. (1a-i, 1a-ii, 1c-i, 2d-i, 2d-ii)
k. Prepare a post-closing trial balance. (1a-ii, 1a-iii)
l. Determine which adjusting entries require reversal and journalize and post needed reversing entries. (1a-ii, 1b-ii, 1c-i, 2d-i, 2d-ii)

3. Analyze and record specific transactions involving valuating and maintaining records for receivables, inventories, and plant and equipment.

a. Make the adjusting entry to record estimated bad-debt losses by using the allowance method of handling bad debts. (1a-ii, 1b-ii, 1c-i, 2c-i, 2c-ii, 2c-iii, 2d-i, 2d-ii)
b. Determine the amount of the adjusting entry to record estimated bad-debt losses by aging Accounts Receivable or by using a percentage of Accounts Receivable. (1a-ii, 1b-ii, 1c-i, 2c-i, 2c-ii, 2c-iii, 2d-i, 2d-ii)
c. Calculate the amount of the adjusting entry to record estimated bad-debt losses by using a percentage of Sales or Net Sales. (1a-iii)
d. Journalize the entries to write off specific Accounts Receivable accounts as uncollectible using the allowance method of accounting for bad-debt losses. (1a-ii, 1b-ii, 2d-i, 2d-ii)
e. Journalize entries to reinstate specific Accounts Receivable accounts previously written off. (1a-ii, 1b-ii, 2d-i, 2d-ii)
f. Journalize the entries to write off specific Accounts Receivable accounts as uncollectible using the direct write-off method of accounting for bad-debt losses. (1a-ii, 1b-ii, 2d-i, 2d-ii)
g. Determine unit cost, the value of ending inventory, and the cost of merchandise sold by the following methods: (a) specific identification, (b) weighted-average cost, (c) first-in, first-out (FIFO), (d) last-in, first-out (LIFO). (1a-iii)
h. Journalize transactions relating to perpetual inventories. (1a-ii, 1b-ii, 2d-i, 2d-ii)
i. Allocate costs to Land, Land Improvements, and Buildings accounts. (1b-i, 1b-ii)
j. Calculate depreciation by the straight-line method, units-of-production method, double-declining-balance method, and sum-of-the-years’-digits methods. (1a-iii, 1b-ii, 1b-iii)

4. Define a partnership form of enterprise and analyze and record transactions involving a partnership.

a. Journalize opening entries to form a partnership. (1a-ii, 1b-ii, 2d-i, 2d-ii)
b. Prepare a section of an income statement relating to division of net income for a partnership involving division of income based on ratio of fractional shares, based on ratio of capital investments, and/or based on salary and interest allowances. (1a-ii, 1a-iii, 1b-ii)
c. Journalize the closing entries for a partnership. (1a-ii, 1b-ii, 2d-i, 2d-ii)
d. Prepare a statement of owner’s equity for a partnership. (1a-ii, 1a-iii)
5. Use the computer in accounting for accounts receivable, accounts payable, and general ledger for a merchandising business.

   a. Process Accounts Receivable transactions by entering the transactions into the computer system. (1b-ii, 2c-i, 2c-ii, 2c-iii, 2c-iv)

   b. Edit and correct Accounts Receivable entries. (1b-ii, 2c-i, 2c-ii, 2c-iii, 2c-iv)

   c. Generate reports related to Accounts Receivable. (2c-iv, 2d-i, 2e-i, 2e-ii, 2e-iii)

   d. Process Accounts Payable transactions by entering the transactions into the computer system. (1b-ii, 2c-i, 2c-ii, 2c-iii, 2c-iv)

   e. Edit and correct Accounts Payable entries. (1b-ii, 2c-i, 2c-ii, 2c-iii, 2c-iv)

   f. Generate reports related to Accounts Payable. (2c-iv, 2d-i, 2e-i, 2e-ii, 2e-iii)

   g. Complete a general ledger problems for a merchandising business. (1b-ii, 2a-i, 2a-iii, 2c-i, 2c-ii, 2c-iii, 2c-iv, 2e-i, 2e-ii)

   h. Generate journal and ledger reports. (2c-iv, 2d-i, 2e-i, 2e-ii, 2e-iii)

   i. Generate schedules of accounts payable and accounts receivable. (2c-iv, 2d-i, 2e-i, 2e-ii, 2e-iii)

   j. Verify the accuracy of computer-generated reports. (1b-i, 1b-vi)

Course Content:

Students in all sections of this course will be required to do the following:

1. Students will submit assignments, including quizzes, throughout the semester based on the course content presented in that assignment.

2. Students will complete three hands-on, application exams using accounting forms and/or computerized accounting software.

3. Students will complete four online exams, including the final exam, testing their knowledge of accounting principles and practices.

Methods of Instruction/Course Format/Delivery:

Students in both the face to face class and in the online class will have access to this course via Canvas. Students in the face to face class will meet regularly for lecture over the material. Students in the Internet class will only be required to meet with the instructor for testing; however, Internet students are always welcome to attend the traditional class. Resources provided through Canvas include:

- A calendar displaying assignment due dates for assignments and testing
- Online assignments
- Learning aids, including handouts, sample problems, slide presentations, and tutorials
- Email (totally contained within Canvas)

Students in both the traditional and Internet classes should use the Email within Canvas to communicate with the instructor. Using Canvas email gives access to the instructor and other classmates without having to remember or type email addresses—just select a name from the list. If unable to contact the instructor using email in Canvas, external email may be used. Replies are generally within 24 hours or less (excluding weekends and holidays); accordingly, if no reply is received, the student should re-send the message since a delivery failure could have occurred. Students should include a subject line with email.

Assessment:

The following items will be assigned during the semester and used to calculate the student’s final grade:

- **EXERCISES & PROBLEMS**
  Each chapter will have selected exercises and problems to complete. All exercises and problems will be worked in CengageNOW. Before students can access the exercises and problems online, an account must be created with CengageNOW. To create an account, a CengageNOW printed
access card must be purchased. Instructions for creating an account will be provided on the course homepage. Each exercise and problem has a due date. These are shown in CengageNOW and also on the course Calendar. All exercises and problems can be worked an unlimited number of times as long as answers are submitted before the deadline. These assignments will be graded immediately by CengageNOW and the grade will be posted in the CengageNOW gradebook.

**EXAMS**
All exams (including the Final Exam) will be a combination of online and applications testing. Online testing requires responses to short-answer questions; applications require the student to complete problems on paper forms or by using accounting software. Panola College students will take all exams at a Panola College Testing Center (Carthage, Marshall Mall, Shelby Regional Training Center in Center). Hours for each testing center can be found at [http://www.panola.edu/elearning/testing.html](http://www.panola.edu/elearning/testing.html). Students taking this course through the Virtual College of Texas (VCT) must make testing arrangements with the testing center at their colleges before each exam. The Calendar in Canvas will list the dates and times that testing will be available for online students. Exam dates for face to face sections will be announced in class.

**PARTICIPATION**
The participation portion of the grade for online students will be based on participating in a monthly discussion board. Each month will feature a different topic of discussion. The participation portion of the grade for face to face section students will be based on classroom attendance and participation. Grades for participation will be posted to Grades in Canvas.

**Course Grade:**
The grading scale for this course is as follows:

- Exercises & Problems – 23%
- Three Unit Exams – 50%
- Final Exam – 17%
- Participation – 10%

All grades will be posted to Grades in Canvas.

**Texts, Materials, and Supplies:**

**Other:**
- For current texts and materials, use the following link to access bookstore listings: [http://www.panolacollegestore.com](http://www.panolacollegestore.com)
- For testing services, use the following link: [http://www.panola.edu/elearning/testing.html](http://www.panola.edu/elearning/testing.html)
- If any student in this class has special classroom or testing needs because of a physical learning or emotional condition, please contact the ADA Student Coordinator in Support Services located
in the Administration Building or go to http://www.panola.edu/student-success/disability-supportservices/ for more information.

- Withdrawing from a course is the student’s responsibility. Students who do not attend class and who do not withdraw will receive the grade earned for the course.
SCANS CRITERIA

1) Foundation skills are defined in three areas: basic skills, thinking skills, and personal qualities.

a) Basic Skills: A worker must read, write, perform arithmetic and mathematical operations, listen, and speak effectively. These skills include:
   i) Reading: locate, understand, and interpret written information in prose and in documents such as manuals, graphs, and schedules.
   ii) Writing: communicate thoughts, ideas, information, and messages in writing, and create documents such as letters, directions, manuals, reports, graphs, and flow charts. iii) Arithmetic and Mathematical Operations: perform basic computations and approach practical problems by choosing appropriately from a variety of mathematical techniques.
   iv) Listening: receive, attend to, interpret, and respond to verbal messages and other cues. v) Speaking: Organize ideas and communicate orally.

b) Thinking Skills: A worker must think creatively, make decisions, solve problems, visualize, know how to learn, and reason effectively. These skills include: i) Creative Thinking: generate new ideas. ii) Decision Making: specify goals and constraints, generate alternatives, consider risks, and evaluate and choose the best alternative. iii) Problem Solving: recognize problems and devise and implement plan of action. iv) Visualize (“Seeing Things in the Mind’s Eye“): organize and process symbols, pictures, graphs, objects, and other information. v) Knowing How to Learn: use efficient learning techniques to acquire and apply new knowledge and skills. vi) Reasoning: discover a rule or principle underlying the relationship between two or more objects and apply it when solving a problem.

c) Personal Qualities: A worker must display responsibility, self-esteem, sociability, self-management, integrity, and honesty.
   i) Responsibility: exert a high level of effort and persevere toward goal attainment.
   v) Integrity and Honesty: choose ethical courses of action.

2) Workplace competencies are defined in five areas: resources, interpersonal skills, information, systems, and technology.

a) Resources: A worker must identify, organize, plan, and allocate resources effectively.
   i) Time: select goal-relevant activities, rank them, allocate time, and prepare and follow schedules. ii) Money: Use or prepare budgets, make forecasts, keep records, and make adjustments to meet objectives. iii) Material and Facilities: Acquire, store, allocate, and use materials or space efficiently. Examples: construct a decision time line chart; use computer software to plan a project; prepare a budget; conduct a cost/benefits analysis; design an RFP process; write a job description; develop a staffing plan.

b) Interpersonal Skills: A worker must work with others effectively.
   i) Participate as a Member of a Team: contribute to group effort. ii) Teach Others New Skills. iii) Serve Clients/Customer: work to satisfy customer’s expectations. iv) Exercise Leadership: communicate ideas to justify position, persuade and convince others, responsibly challenge existing procedures and policies.
v) Negotiate: work toward agreements involving exchange of resources, resolve divergent interests.
vi) Work with Diversity: work well with men and women from diverse backgrounds. Examples: collaborate with a group member to solve a problem; work through a group conflict situation, train a colleague; deal with a dissatisfied customer in person; select and use appropriate leadership styles; use effective delegation techniques; conduct an individual or team negotiation; demonstrate an understanding of how people from different cultural backgrounds might behave in various situations.

c) **Information**: A worker must be able to acquire and use information.
i) Acquire and Evaluate Information. ii) Organize and Maintain Information. iii) Interpret and Communicate Information. iv) Use Computers to Process Information.
Examples: research and collect data from various sources; develop a form to collect data; develop an inventory record-keeping system; produce a report using graphics; make an oral presentation using various media; use on-line computer data bases to research a report; use a computer spreadsheet to develop a budget.

d) **Systems**: A worker must understand complex interrelationships.
i) Understand Systems: know how social, organizational, and technological systems work and operate effectively with them.
ii) Monitor and Correct Performance: distinguish trends, predict impacts on system operations, diagnose deviations in systems’ performance and correct malfunctions.
iii) Improve or Design Systems: suggest modifications to existing systems and develop new or alternative systems to improve performance.
Examples: draw and interpret an organizational chart; develop a monitoring process; choose a situation needing improvement, break it down, examine it, propose an improvement, and implement it.

e) **Technology**: A worker must be able to work with a variety of technologies.
i) Select Technology: choose procedures, tools or equipment including computers and related technologies.
ii) Apply Technologies to Task: understand overall intent and proper procedures for setup and operation of equipment.
iii) Maintain and Troubleshoot Equipment: Prevent, identify, or solve problems with equipment, including computers and other technologies.
Examples: read equipment descriptions and technical specifications to select equipment to meet needs; set up and assemble appropriate equipment from instructions; read and follow directions for troubleshooting and repairing equipment.