PELLISSIPPI STATE COMMUNITY COLLEGE
MASTER SYLLABUS

PRINCIPLES OF ACCOUNTING I
ACCT 1010

Class Hours: 3.0  Credit Hours: 3.0
Laboratory Hours: 0.0  Date Revised: Fall 2012

Catalog Course Description:

An introduction to financial accounting theory and practice from the corporate point of view. Emphasis is placed on analyzing, preparing and reporting financial information.

Entry Level Standards:

The student must be able to read and comprehend at the college level. The student must have a working knowledge of college-level algebra and business mathematics.

Prerequisites:

None

Co-requisites:

College-level math

Textbook(s) and Other Course Materials:

2. Accounting paper, 2 column and 4 column
3. Basic Calculator (Note: programmable calculators, such as TI-8x and 9x series, electronic devices, computers, and cell phones may not be used on exams in this course)

I. Week/Unit/Topic Basis:

<table>
<thead>
<tr>
<th>Week</th>
<th>Chapter</th>
<th>Topic</th>
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<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Introduction to Financial Statements</td>
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<tr>
<td>2</td>
<td>2, 3</td>
<td>A Further Look at Financial Statements (Omit using the financial statements pages 54-63); The Accounting Information System</td>
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<tr>
<td>3</td>
<td>3</td>
<td>The Accounting Information System</td>
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<tr>
<td>4</td>
<td>4</td>
<td>Accrual Accounting Concepts</td>
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<tr>
<td>5</td>
<td>5</td>
<td>Merchandising Operations and the Multiple-Step Income Statement (Omit</td>
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</table>
evaluating profitability pages 245-250)

6-7 6  Reporting and Analyzing Inventory  (Omit lower-of-cost-or-market pages 295-296 and analysis of inventory pages 296-300)

8 7  Fraud, Internal Control, and Cash

8  Reporting and Analyzing Receivables  (Omit evaluating liquidity of receivables pages 415-416 and accelerating cash receipts pages 417–420)

9-10 9  Reporting and Analyzing Long-Lived Assets  (Omit units-of-activity pages 456-457; revising periodic depreciation pages 459-460; expenditures during useful life page 460; impairments page 461 and analyzing plant assets pages 464-467)

11-12 10  Reporting and Analyzing Liabilities  (Omit journal entries for payroll and payroll taxes payable pages 510-511, redeeming bonds before maturity page 521 and leasing page 527)

13-4 11  Reporting and Analyzing Stockholders’ Equity  (Omit journal entries in accounting for treasury stock pages 579-581 and measuring corporate performance pages 593-596)

15  Final Exam

II. Course Goals*:

The course will:

A. Develop students’ understanding of basic business and accounting concepts.  I, II, V

B. Familiarize students with the basic financial statements, and other elements of an annual report, and foster student understanding of the ability to prepare the income statement, retained earnings statement and balance sheet.  I, III, V

C. Lead students to an understanding of the usefulness of financial statements in analyzing financial position.  III, V

D. Develop students’ awareness of the accounting information system and the accounting cycle.  I, VI

E. Introduce students to the operations of a merchandising business.  I, VI

F. Guide students to an understanding of reporting and analyzing inventories.  III, V

G. Introduce students to the elements of fraud, internal control and cash.  I, III, IV, V

H. Provide a basic understanding of reporting and analyzing receivables.  III, V
I. Develop students’ understanding of accounting for long-lived assets. III, V

J. Allow students to develop an understanding of accounting for liabilities. III, V, VII

K. Develop student understanding of accounting for stockholders’ equity of a corporation. III, V, VII

*Roman numerals after course objectives reference goals of the Business Administration program.

III. Expected Student Learning Outcomes*:

Students will be able to:

1. Describe the primary forms of business organization. A
2. Identify the users and uses of financial information. A
3. Explain the three principal types of business activity. A
4. Describe the content and purpose of each of each of the financial statements. B
5. Prepare the income statement, retained earnings statement and balance sheet. B
6. Explain the meaning of assets, liabilities, and stockholders’ equity, and state the basic accounting equation. B
7. Define and understand the statement of cash flows. B
8. Discuss the interrelationships of financial statements. B
9. Describe the components that supplement the financial statements in an annual report. B
10. Identify the sections of a classified balance sheet. B
11. Explain the relationship between a retained earnings statement and a statement of stockholders’ equity. B, C
12. Explain the meaning of generally accepted accounting principles. A
13. Analyze the effect of business transactions on the basic accounting equation. D
14. Explain what an account is and how it helps in the accounting process. D
15. Define debits and credits and explain how they are used to record business transactions. D
16. Identify the basic steps in the recording process. D
17. Explain what a journal is and how it helps in the recording process. D
18. Explain what a ledger is and how it helps in the recording process. D
19. Explain the purpose of a trial balance. D
20. Explain the revenue recognition principle and the expense recognition principle. A
21. Differentiate between the cash basis and accrual basis of accounting. A
22. Explain why adjusting entries are needed and identify the major types of adjusting entries. D
23. Prepare adjusting entries for deferrals. D
24. Prepare adjusting entries for accruals. D
25. Describe the nature and purpose of the adjusted trial balance. D
26. Explain the purpose of closing the books and prepare closing entries. D
27. Describe the required steps in the accounting cycle. D
28. Identify the differences between a service company and a merchandising company. E
29. Explain the recording of purchases under a perpetual inventory system. E
30. Explain the recording of sales revenues under a perpetual inventory system. E
32. Determine cost of goods sold under a periodic inventory system. B, E
33. Explain the factors affecting profitability. C
34. Describe the steps in determining inventory quantities. F
35. Explain the basis of accounting for inventories and apply the inventory cost flow methods under a periodic inventory system. F
36. Explain the financial statement and tax effects of each of the inventory cost flow assumptions. F
37. Define fraud and internal control. G
38. Identify the principles of internal control activities. G
39. Explain the applications of internal control principles to cash receipts. G
40. Explain the application of internal control principles to cash disbursements. G
41. Prepare a bank reconciliation. G
Explain the reporting of cash.  G
Discuss the basic principles of cash management.  G
Identify the primary elements of a cash budget.  G
Identify the different types of receivables.  H
Describe the methods used to account for bad debts.  H
Compute the interest on notes receivable.  H
Describe the entries to record the disposition of notes receivable.  H
Explain the statement presentation of receivables.  H
Describe the principles of sound accounts receivables.  H
Describe how the cost principle applies to plant assets.  A, I
Explain the concept of depreciation.  I
Compute periodic depreciation using the straight-line method, and contrast its expense pattern with the declining balance method.  I
Explain how to account for the disposal of plant assets.  I
Identify the basic issues related to reporting intangible assets.  I
Indicate how long-lived assets are reported on the financial statements.  I
Explain a current liability and identify the major types of current liabilities.  J
Describe the accounting for notes payable.  J
Describe the financial statement presentation of long-term debt.  J
Identify the types of bonds.  J
Prepare the entries for the issuance of bonds and interest expense.  J
Describe the entry when bonds are redeemed at maturity.  J
Identify the requirements for the financial statement presentation of liabilities.  J
Identify and discuss the major characteristics of a corporation.  A
Record the issuance of common stock.  K
Define treasury stock and identify the balance sheet presentation.  K
Differentiate common stock from preferred stock.  K
68. Prepare the entries for cash dividends and understand the effect of stock dividends and stock splits. K
69. Identify the items that affect retained earnings. K
70. Prepare a comprehensive stockholders’ equity section. K

* Capital letters after Expected Student Learning Outcomes reference the course goals listed above.

IV. Evaluation:

A. Testing Procedures:

The instructor’s policies on exams, quizzes, homework, attendance, and grades will be provided on a supplement to the course syllabus. A minimum of four (4) major exams is recommended.

B. Laboratory Expectations:

None applicable

C. Field Work:

None applicable

D. Other Evaluation Methods:

This information, if applicable, will be provided by the instructor in full detail during the first week of class via syllabus supplement.

E. Grading Scale:

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<thead>
<tr>
<th>Grade</th>
<th>Range</th>
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<tbody>
<tr>
<td>A</td>
<td>92 - 100</td>
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<tr>
<td>B+</td>
<td>89 - 91</td>
</tr>
<tr>
<td>B</td>
<td>82 - 88</td>
</tr>
<tr>
<td>C+</td>
<td>79 - 81</td>
</tr>
<tr>
<td>C</td>
<td>72 - 78</td>
</tr>
<tr>
<td>D</td>
<td>65 - 71</td>
</tr>
<tr>
<td>F</td>
<td>0 - 64</td>
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V. Policies

A. Attendance Policy:

Pellissippi State expects students to attend all scheduled instructional activities. As a minimum, students in all courses (excluding distance learning courses) must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course. Individual departments/programs/disciplines, with the approval of the vice president of Academic Affairs, may have requirements that are more stringent. In very specific circumstances, an appeal of the policy may be addressed to the head of the department in which the course was taken. If further action is warranted, the appeal may be addressed to the vice president of Academic Affairs.

B. Academic Dishonesty:

Academic misconduct committed either directly or indirectly by an individual or group is subject to disciplinary action. Prohibited activities include but are not limited to the following practices:

- Cheating, including but not limited to unauthorized assistance from material, people, or devices
when taking a test, quiz, or examination; writing papers or reports; solving problems; or completing academic assignments.

• Plagiarism, including but not limited to paraphrasing, summarizing, or directly quoting published or unpublished work of another person, including online or computerized services, without proper documentation of the original source.

• Purchasing or otherwise obtaining prewritten essays, research papers, or materials prepared by another person or agency that sells term papers or other academic materials to be presented as one’s own work.

• Taking an exam for another student.

• Providing others with information and/or answers regarding exams, quizzes, homework or other classroom assignments unless explicitly authorized by the instructor.

• Any of the above occurring within the Web or distance learning environment.

C. Accommodations for disabilities:

Students who need accommodations because of a disability, have emergency medical information to share, or need special arrangements in case the building must be evacuated should inform the instructor immediately, privately after class or in her or his office. Students must present a current accommodation plan from a staff member in Services for Students with Disabilities (SSWD) in order to receive accommodations in this course. Services for Students with Disabilities may be contacted by going to Goins 127, 132, 134, 135, 131 or by phone: 539-7153 or TTY 694-6429. More information is available at http://www.pstcc.edu/sswd/.