

Pellissippi State Community College
Master Syllabus

**PRINCIPLES OF ACCOUNTING I
ACC 2000**

Class Hours: 3.0
Laboratory Hours: 0.0
Credit Hours: 3.0
Revised: December 2010

Instructor:
Office:
Phone:
Email:

Catalog Course Description:

A survey of financial and managerial accounting. Financial accounting topics include structure of financial statements and accounting for merchandising operations, cash, receivables, inventories, plant and equipment, liabilities and equity. Managerial accounting topics include analysis of financial statements, introduction to managerial accounting, cost behavior and CVP analysis, and budgeting.

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.

Corequisites: College-level math

Textbooks(s) and Other Course Materials:

Required:

1. Warren, Carl S. Survey of Accounting, Fifth Edition. SouthWestern, 2011, 2009
ISBN: 978-1-1113-0443-0 (Paperback Custom Edition) or ISBN: 978-0-538-74909-1
(Hardback Edition)
2. Accounting Paper, 8½" x 11", 2-column
3. Calculator - nonprogrammable

Note: Programmable calculators (TI 83 plus, etc.) and cell phones may not be used on exams or quizzes in this course. In addition, no sharing of calculators will be allowed during exams or quizzes. *No exceptions!*

I. Week/Unit/Topic Basis:

Week	Chapter	Topic
1	1	The Role of Accounting in Business (pp. 1-5, 7-22 (Omit Statement of Cash Flows on page 15.))
2	3	Accrual Accounting Concepts (pp. 80-82, 88-90, 94-103)
3	Appen. A	Double-Entry Accounting Systems
4	4	Accounting for Merchandising Businesses (pp. 127-135 (Omit Statement of Cash Flows on page 135), 136-147 (Omit format of integrated financial statement framework presented throughout these pages. Substitute journal entries.))
5	5	Sarbanes-Oxley, Internal Control, and Cash

6-7	6	Receivables and Inventory (pp. 206-217 (Omit format of integrated financial statement framework presented throughout these pages); 217-225)
8	7	Fixed Assets and Intangible Assets (pp. 243-253, 253-255 (Omit format of
		integrated financial statement framework presented throughout these pages); 256-261 (Omit format of integrated financial statement framework presented throughout these pages)
9-10	8	Liabilities & Stockholders' Equity (pp. 274-276 (Omit format of integrated financial statement framework presented throughout these pages), 279-280, 280-290 (Omit format of integrated financial statement framework presented throughout these pages)
11	9	Financial Statement Analysis
12	10	Managerial Accounting (pp. 360-378 (Omit format of integrated financial statement framework presented throughout these pages)
13	11	Cost Behavior and CVP Analysis (pp. 419-434, 441-443)
14	13	Budgeting and Standard Costing (pp. 503-522, 523-533)
15	→	Final Exam

II. Course Goals*:

- A. Develop an understanding of the structure and analysis of basic financial statements. I, II, IV, V, VII
- B. Demonstrate an understanding of operations of a merchandising business. I, II, IV, V
- C. Develop an understanding of inventories, cost flow assumptions, and their effects on income, assets, and cash flows. I, II, IV, V
- D. Exhibit an understanding of internal control, cash, and receivables. I, III, IV, V
- E. Develop an understanding of accounting for property, plant, and equipment, natural resources, and intangible assets. I, II, III, IV, V
- F. Demonstrate knowledge of accounting for liabilities. I, III, IV, V
- G. Acquire an understanding of accounting for stockholders' equity of a corporation. I, II, III, IV, V
- H. Develop an understanding of managerial accounting. I, II, III, IV, V
- I. Demonstrate an understanding of cost behavior patterns and cost-volume-profit analysis. I, II, III, IV, V
- J. Exhibit an understanding of the budgeting process, standard costing, and elements of the master budget. I, II, III, IV, V
- K. Practice elements of the work ethic such as preparedness, punctuality, honesty, cooperation, dependability, contribution and good manners. IV, VI

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

IV. Expected Student Learning Outcomes*:

Students will be able to:

1. Explain the following terms and give examples of each: assets, liabilities, stockholders' equity. A
2. Identify the three main forms of business organization. A
3. Explain the organization and structure of the income statement, retained earnings statement, and balance sheet. A
4. Identify significant accounting concepts and principles. A
5. Identify the individual accounts involved in a transaction and determine whether each account is increasing or decreasing. A
6. Prepare general journal entries to record transactions. A
7. Use T-accounts to analyze the activity in an account. A
8. Explain the difference between accrual basis accounting and cash basis accounting. A
9. Identify the accounts used by a merchandising firm. B
10. Explain the basic merchandise transactions for a merchandising firm. B
11. Explain the difference between the income statements for a service firm and a merchandising firm. A, B
12. List the objectives of internal control. D
13. Identify the basic principles of internal control. D
14. Show the balance sheet presentation of cash. D
15. Prepare a simple bank reconciliation. D
16. Calculate the interest to maturity and maturity value of a note receivable D.
17. Show the balance sheet presentation of accounts and notes receivable. D
18. Explain the difference between the direct write-off method and the allowance method of accounting for bad debts. D
19. Estimate the amount of bad debt expense using the percent of sales approach and the aging of receivables approach. D
20. List three cost flow assumptions used to account for merchandise inventory. C
21. Show the balance sheet presentation of inventory. C
22. Explain the impact of cost flow assumptions on the balance sheet, income statement, and income taxes. C
23. Identify different types of fixed assets and give examples of each type. E
24. Show the balance sheet presentation of fixed assets. E
25. Determine depreciation expense using straight-line and double declining balance methods. E
26. Determine the gain or loss on disposal of fixed assets by retirement or sale. E
27. Explain the nature of intangible assets and depletion and give examples of each. E
28. Explain the characteristics of current liabilities and give several examples. F
29. Determine the interest to maturity and maturity value of a short term note payable. F
30. Explain how contingent liabilities are accounted for. F
31. Perform basic payroll calculations and identify taxes paid by the employee and/or the employer. F
32. Explain the characteristics of bonds payable. F
33. Explain the relationship between the contract interest rate and the market interest rate. F
34. Determine whether bonds payable will be issued at a premium or discount. F
35. Determine total borrowing cost related to bonds payable. F
36. Show the balance sheet presentation of bonds payable. F
37. List the stockholders' equity accounts used by a corporation. G
38. Describe the characteristics, advantages, and disadvantages of the corporate form of business. G
39. Show the balance sheet presentation of stockholders' equity. G
40. Describe the effects of net income and dividends on retained earnings. G

41. Perform horizontal analysis on comparative financial statements. A
42. Perform vertical analysis on the balance sheet and income statement. A
43. Use ratios to analyze the short-term financial position of the company. A
44. Use ratios to analyze the profitability and solvency of the company. A
45. Describe the differences between financial and managerial accounting. H
46. List the three types of manufacturing cost and give examples of each. H
47. List the two types of period costs and give examples of each. H
48. List and describe the three types of inventory used by a manufacturing firm. H
49. Use T-accounts to describe the flow of costs through manufacturing accounts. H
50. Determine the Cost of Goods Manufactured and Cost of Goods Sold for a manufacturing firm. H
51. Describe the effect of changes in activity on total cost and cost per unit for variable, fixed, and mixed costs. I
52. Determine the contribution margin per unit and contribution margin rate. I
53. Determine the breakeven point in units and dollars. I
54. Determine the required sales to achieve a target net income. I
55. Determine the margin of safety in dollars and as a percent. I
56. Describe the benefits of budgeting. J
57. List the individual budgets that make up the master budget. J
58. Prepare the following budgets: sales budget, production budget, materials budget, direct labor budget, and cash budget. J
59. Analyze variances for direct materials or direct labor. J
60. Develop an understanding of basic professional behavior. 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. Business Administration program grading scale:

A	92 - 100
B+	89 - 91
B	82 - 88
C+	79 - 81
C	72 - 78
D	65 - 71
F	0 - 64

V. Policies:

- A. Attendance Policy:** Pellissippi State Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course. (*Pellissippi State Online Catalog*)
- B. Academic Dishonesty:** Plagiarism, cheating and other forms of academic dishonesty are prohibited. A student guilty of academic misconduct, either directly or indirectly through participation or assistance, is immediately responsible to the instructor of the class. In addition to other possible disciplinary sanctions that may be imposed through the regular Pellissippi State procedures as a result of academic misconduct, the instructor has the authority to assign an F or a zero for the exercise or examination or to assign an F in the course. (*Pellissippi State Online Catalog*)
- C. Accommodation 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 www.pstcc.edu/departments/swd/.