



SPRING GROVE AREA SCHOOL DISTRICT



PLANNED COURSE OVERVIEW

Course Title: Accounting 2 Grade Level(s): 11-12 Units of Credit: 1 Classification: Elective	Length of Course: 30 cycles Periods Per Cycle: 6 Length of Period: 43 minutes Total Instructional Time: 129 hours
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Course Description

This course is designed to build upon the skills and concepts mastered in Accounting 1 and is focused on corporate accounting. The topics of payroll, uncollectible accounts, plant assets, depreciation, inventory, debt financing, interest, accrued revenue, dividends, and financial ratios will be covered in depth.

Instructional Strategies, Learning Practices, Activities, and Experiences

Bell Ringers Teacher Demonstrations Guided Individual Practice Guided Group Practice	Independent Work Time Homework Flexible Groups Application Problems	Constructed Response Learning Objectives Mastery Problem Assignments Simulations
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Assessments

Online Working Paper Application Problems Online Working Paper Mastery Problems	Independent and Group Assignments Constructed Responses	Quizzes/Tests /Homework Simulations
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Materials/Resources

Textbook <u>Century 21 Accounting 10E Multicolumn Journal</u> (Cengage Learning ISBN-13: 978- 978-0840064653)	Authentic Threads, Simulation Desktop Computers with Keyboards Containing the Number Pad	Automated Software Site-License Microsoft Office Suite
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Adopted: 9/03

Revised: 9/28/09; 5/21/18

Preparing Payroll Records	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Calculating Employee Earnings</p> <p>Recording a Payroll</p> <p><u>Related Vocabulary:</u> voucher check direct deposit lookback period wage salary commission total earnings pay period payroll payroll check time clock payroll taxes withholding allowance payroll deduction Social Security tax medicare tax accumulated earnings tax base qualified retirement plan 401(k) individual retirement account (IRA) Roth individual retirement account (Roth IRA) payroll register net pay employee earnings record</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business. 15.1.8.D ~ Describe the components of the accounting cycle. 15.1.12.D ~ Analyze, journalize, and post transactions to general and subsidiary ledgers. 15.1.12.E ~ Perform accounting functions using technology as a tool. 15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets. 15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities. 15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions. 15.1.8.M ~ Identify and give examples of net pay and gross pay. 15.1.12.M ~ Analyze and calculate gross pay and net pay, including regular and overtime wages, commission, and piece rate.</p> <p>The students will be able to:</p> <ul style="list-style-type: none"> • Explain how employees are paid. • Calculate hourly employee earnings. • Demonstrate the process for determining federal income tax withholdings. • Explain the benefit of funding medical and retirement plans with pretax contributions. • Prepare a payroll register. • Prepare employee earnings records. • Justify the use of a payroll checking account. • Prepare employee payroll checks.

Accounting for Payroll and Payroll Taxes	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Recording Employer Payroll Taxes</p> <p>Reporting Withholding and Payroll Taxes</p> <p>Paying Withholding and Payroll Taxes</p> <p>Reinforcement Activity 2 – Part A</p> <p><u>Related Vocabulary:</u> salary expense federal unemployment tax state unemployment tax deposit lookback period</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business.</p> <p>15.1.8.D ~ Describe the components of the accounting cycle.</p> <p>15.1.12.D ~ Analyze, journalize, and post transactions to general and subsidiary ledgers.</p> <p>15.1.12.E ~ Perform accounting functions using technology as a tool.</p> <p>15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets.</p> <p>15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities.</p> <p>15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions.</p> <p>15.1.8.M ~ Identify and give examples of net pay and gross pay.</p> <p>15.1.12.M ~ Analyze and calculate gross pay and net pay, including regular and overtime wages, commission, and piece rate.</p> <p>The students will be able to:</p> <ul style="list-style-type: none"> • Analyze payroll transactions. • Journalize a payroll including employee payroll taxes. • Calculate and record employer payroll taxes. • Prepare selected payroll tax reports. • Pay and record withholding and payroll taxes.

Accounting for Uncollectible Accounts Receivable	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Estimate Uncollectible Accounts Expense</p> <p>Write-Off Uncollectible Accounts Receivable</p> <p>Prepare Journal Entries for Write-Offs, Dishonored Notes, and Collections on Notes Receivable</p> <p><u>Related Vocabulary:</u> uncollectible accounts allowance method book value book value of accounts receivable net realizable value percent of sales method percent of accounts receivable method aging of accounts receivable writing off an account direct write-off method promissory note note payable note receivable make of a note payee principal interest rate maturity date time of a note maturity value interest income dishonored note</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business.</p> <p>15.1.8.D ~ Describe the components of the accounting cycle.</p> <p>15.1.12.D ~ Analyze, journalize, and post transactions to general and subsidiary ledgers.</p> <p>15.1.12.E ~ Perform accounting functions using technology as a tool.</p> <p>15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets.</p> <p>15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities.</p> <p>15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions.</p> <p>The students will be able to:</p> <ul style="list-style-type: none"> • Explain the purpose of the allowance method for recording losses from uncollectible accounts. • Estimate uncollectible accounts expense using an aging of accounts receivable. • Record the adjusting entry for the allowance for uncollectible accounts. • Write off an uncollectible account receivable. • Account for the collection of an account receivable that was written off. • Record the acceptance of a note receivable. • Account for the collection of a note receivable. • Account for a dishonored note receivable.

Preparing Adjusting Entries and a Trial Balance	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Prepare an Unadjusted Trial Balance</p> <p>Calculate Depreciation Expense Using Straight-line Depreciation</p> <p>Journalize and Post Adjusting Entries</p> <p>Prepare an Adjusted Trial Balance</p> <p><u>Related Vocabulary:</u> unadjusted trial balance beginning inventory ending inventory accrued revenue accrued interest income current assets plant assets depreciation depreciation expense salvage value useful life straight-line method of depreciation accumulated depreciation book value of a plant asset adjusted trial balance tax bracket marginal tax rate</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business. 15.1.8.D ~ Describe the components of the accounting cycle. 15.1.12.D ~ Analyze, journalize, and post transactions to general and subsidiary ledgers. 15.1.12.E ~ Perform accounting functions using technology as a tool. 15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets. 15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities. 15.1.12.H ~ Identify, calculate, and record depreciation and amortization; explain their effect on the financial statements. 15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions.</p> <p>Framework for Financial Reporting</p> <p>15.1.12.N ~ Explain how the different forms of business ownership and business operations are reported on financial statements. 15.1.12.O ~ Compare and contrast the accrual basis and the cash basis of accounting; assess the impact of each on the financial statements.</p> <p>The students will be able to:</p> <ul style="list-style-type: none"> • Prepare an unadjusted trial balance. • Adjust supplies and prepaid insurance. • Adjust merchandise inventory. • Adjust interest receivable. • Calculate depreciation expense using the straight-line method. • Adjust accumulated depreciation. • Post adjusting entries. • Adjust federal income tax payable. • Prepare an adjusted trial balance.

Financial Statements and Closing Entries for a Corporation	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Prepare an Income Statement for a Merchandising Corporation</p> <p>Prepare a Statement of Stockholders' Equity for a Merchandising Corporation</p> <p>Prepare a Balance Sheet for a Merchandising Corporation</p> <p>Record Closing Entries for Income Statement Accounts</p> <p>Prepare a Post-closing Trial Balance</p> <p><u>Related Vocabulary:</u> operating revenue net sales cost of merchandise sold gross profit operating expenses income from operations statement of stockholders' equity par value current liabilities long-term liabilities supporting schedule</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business. 15.1.8.D ~ Describe the components of the accounting cycle. 15.1.12.D ~ Analyze, journalize, and post transactions to general and subsidiary ledgers. 15.1.12.E ~ Perform accounting functions using technology as a tool. 15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets. 15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities. 15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions.</p> <p>Framework for Financial Reporting</p> <p>15.1.12.N ~ Explain how the different forms of business ownership and business operations are reported on financial statements. 15.1.12.O ~ Compare and contrast the accrual basis and the cash basis of accounting; assess the impact of each on the financial statements.</p> <p>Financial Reporting and Analysis</p> <p>15.1.12.P ~ Analyze and perform the reconciliation of accounts. 15.1.12.Q ~ Prepare financial statements (including a Balance Sheet, Profit and Loss and Owner's Equity) and understand their relevance.</p> <p>The students will be able to:</p> <ul style="list-style-type: none"> • Prepare an income statement for a merchandising business organized as a corporation. • Prepare a statement of stockholders' equity. • Prepare a balance sheet for a business organized as a corporation. • Prepare closing entries. • Prepare a post-closing trial balance.

Financial Statements Analysis	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Vertical Analysis of an Income Statement</p> <p>Vertical Analysis of a Balance Sheet</p> <p>Horizontal Analysis</p> <p>Analyzing Financial Statements Using Financial Ratios</p> <p><u>Related Vocabulary:</u> profitability ratio benchmark comparative financial statements trend analysis profit margin gross margin operating margin operating expense ratio solvency ratio debt ratio horizontal analysis earnings per share market ratio dividend yield price-earnings ratio liquidity ratio working capital current ratio quick assets quick ratio</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business.</p> <p>15.1.8.D ~ Describe the components of the accounting cycle.</p> <p>15.1.12.E ~ Perform accounting functions using technology as a tool.</p> <p>15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets.</p> <p>15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities.</p> <p>15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions.</p> <p>Framework for Financial Reporting</p> <p>15.1.12.N ~ Explain how the different forms of business ownership and business operations are reported on financial statements.</p> <p>15.1.12.O ~ Compare and contrast the accrual basis and the cash basis of accounting; assess the impact of each on the financial statements.</p> <p>Financial Reporting and Analysis</p> <p>15.1.12.P ~ Analyze and perform the reconciliation of accounts.</p> <p>15.1.12.Q ~ Prepare financial statements (including a Balance Sheet, Profit and Loss and Owner's Equity) and understand their relevance.</p> <p>15.1.12.R ~ Explain the primary areas of analysis (trend analysis, profitability, liquidity, capital structure) and the information that can be obtained from each.</p> <p>15.1.12.S ~ Analyze and perform a horizontal and vertical analysis of the income statement and balance sheet.</p> <p>15.1.12.T ~ Assess profitability, liquidity, and solvency by calculating and interpreting financial ratios.</p> <p>15.1.12.U ~ Assess capital structure by calculating and interpreting financial ratios.</p> <p>15.1.12.V ~ Analyze and explain the use of industry averages in assessing the financial condition, operating results, profitability, liquidity, and capital structure.</p>

Financial Statements Analysis (Continued)	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
	<p>Students will be able to:</p> <ul style="list-style-type: none">• Analyze an income statement using vertical analysis.• Perform vertical analysis of a balance sheet.• Analyze a balance sheet using vertical analysis.• Perform horizontal analysis on an income statement.• Perform horizontal analysis on a balance sheet.• Calculate earnings per share.• Calculate and interpret market ratios.• Calculate and interpret liquidity ratios.

Acquiring Capital for Growth and Development	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Short-term Debt Financing</p> <p>Long-term Debt Financing</p> <p>Capital Stock</p> <p>Acquiring Additional Capital Stock</p> <p><u>Related Vocabulary:</u> revenue expenditure debt financing line of credit prime interest rate interest expense non-operating expenses capital expenditures collateral bond bond issue stated interest rate equity financing par value issue date preferred stock cost of capital financial leverage</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business.</p> <p>15.1.8.D ~ Describe the components of the accounting cycle.</p> <p>15.1.12.E ~ Perform accounting functions using technology as a tool.</p> <p>15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets.</p> <p>15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities.</p> <p>15.1.8.I ~ Identify and classify the classes and rights of types of stock.</p> <p>15.1.12.I ~ Differentiate between and journalize entries for issuance or repurchase of stock and the declaration and payment of dividends.</p> <p>15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions.</p> <p>The students will be able to:</p> <ul style="list-style-type: none"> • Identify available sources of debt financing. • Journalize transactions related to short-term debt financing. • Identify the components of a loan application. • Journalize transactions related to long-term financing. • Journalize transactions related to equity financing. • Identify factors influencing financing decisions. • Analyze the impact of financial leverage.

Accounting for Plant Assets, Depreciation, and Intangible Assets	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Buying Plant Assets and Paying Property Tax</p> <p>Calculating Depreciation Expense</p> <p>Journalizing Depreciation Expense</p> <p>Disposing of Plant Assets</p> <p>Decline-balance Method of Depreciation</p> <p>Buying Intangible Assets and Calculating Amortization Expense</p> <p><u>Related Vocabulary:</u> return on investment real property personal property assessed value plant asset record gain gain on plant asset loss loss on plant asset accelerated depreciation declining-balance method of depreciation double declining-balance method of depreciation intangible asset amortization</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business.</p> <p>15.1.8.D ~ Describe the components of the accounting cycle.</p> <p>15.1.12.E ~ Perform accounting functions using technology as a tool.</p> <p>15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets.</p> <p>15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities.</p> <p>15.1.12.H ~ Identify, calculate, and record depreciation and amortization, explain their effect on the financial statements.</p> <p>15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions.</p> <p>The students will be able to:</p> <ul style="list-style-type: none"> • Record the buying of a plant asset. • Analyze the cost of individual assets bought as a bundle. • Calculate and record the payment of property tax. • Calculate depreciation expense. • Calculate depreciation for a partial year. • Calculate accumulated depreciation and book value. • Prepare plant asset records. • Journalize annual depreciation expense. • Record the sale of a plant asset for book value. • Record the sale of a plant asset for more/less than book value. • Calculate depreciation using double declining-balance method. • Record the buying of an intangible asset. • Calculate and record amortization expense.

Accounting for Inventory	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Determining the Quantity of Merchandise Inventory</p> <p>Determining the Cost of Merchandise Inventory</p> <p>Estimating Inventory</p> <p><u>Related Vocabulary:</u> inventory record stock record stock ledger first-in, first-out inventory costing method (FIFO) last-in, first-out inventory costing method (LIFO) weighted-average inventory costing method market value lower of cost or market inventory costing method (LCM) gross profit method of estimating inventory</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business.</p> <p>15.1.8.D ~ Describe the components of the accounting cycle.</p> <p>15.1.12.E ~ Perform accounting functions using technology as a tool.</p> <p>15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets.</p> <p>15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities.</p> <p>15.1.12.J ~ Analyze the various methods for maintaining and valuing inventory (FIFO, LIFO, etc.) and describe their effect on financial statements.</p> <p>15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions.</p> <p>The students will be able to:</p> <ul style="list-style-type: none"> • Prepare a stock record. • Calculate the cost of merchandise inventory using the first-in, first-out (FIFO) inventory costing method. • Calculate the cost of merchandise inventory using the last-in, first-out (LIFO) inventory costing method. • Calculate the cost of merchandise inventory using the weighted-average inventory costing method. • Estimate the cost of merchandise inventory using the gross profit method of estimating inventory.

Simulation for a Merchandising Corporation	
CONTENT/KEY CONCEPTS	OBJECTIVES/STANDARDS
<p>Analyzing How Transactions Affect Accounts</p> <p>Journalizing and Posting Entries for a Merchandising Corporation</p> <p>Prepare a Bank Reconciliation</p> <p>Prepare Payroll Registers and Employee Earnings Records</p> <p>Preparing a Work Sheet and Financial Statements for a Merchandising Corporation</p> <p>Journalizing and Posting Adjusting and Closing Entries for a Merchandising Corporation</p> <p>Preparing a Post-closing Trial Balance for a Merchandising Corporation</p>	<p>Accounting Fundamentals</p> <p>15.1.12.C ~ Analyze business transactions using T-accounts to determine their impact on a business.</p> <p>15.1.8.D ~ Describe the components of the accounting cycle.</p> <p>15.1.12.E ~ Perform accounting functions using technology as a tool.</p> <p>15.1.12.F ~ Analyze and journalize transactions for short- and long- term assets.</p> <p>15.1.12.G ~ Analyze and journalize transactions involving short- and long-term liabilities.</p> <p>15.1.12.H ~ Identify, calculate, and record depreciation and amortization, explain their effect on the financial statements.</p> <p>15.1.12.J ~ Analyze the various methods for maintaining and valuing inventory (FIFO, LIFO, etc.) and describe their effect on financial statements.</p> <p>15.1.12.L ~ Describe and explain the criteria used to determine expenses and journalize expenses transactions.</p> <p>Financial Reporting and Analysis</p> <p>15.1.12.P ~ Analyze and perform the reconciliation of accounts.</p> <p>15.1.12.Q ~ Prepare financial statements (including a Balance Sheet, Profit and Loss and Owner's Equity) and understand their relevance.</p> <p>The students will be able to:</p> <ul style="list-style-type: none"> • Analyze transactions for operating a business into debit and credit parts. • Analyze and record journal entries. • Post amounts from the general debit and general credit columns of a journal, and post column totals from a journal to a general ledger accounts. • Complete a bank statement reconciliation. • Prepare payroll registers and employee earnings records. • Prepare a work sheet, calculate adjustments and extend balances to the balance sheet and income statement columns of a work sheet. • Journalize and post the adjusting entries for supplies, prepaid insurance, uncollectible accounts, merchandise inventory, depreciation, and federal income tax. • Prepare and income statement, statement of stockholders' equity and a balance sheet for a merchandising corporation. • Journalize and post-closing entries for a merchandising corporation. • Prepare a post-closing trial balance.