

Accounting 2

Implement start year – 2018-2019

Revision Committee Members, email, extension:

Pat Costello, pcostello@lrhsd.org, Seneca High School, 609-268-4600 X8392

Mike Smith, msmith@lrhsd.org, Lenape High School, 609-654-5111 X8958

Rick Bozarth, rbozarth@lrhsd.org, Shawnee High School, 609-654-7544 X8344

Jack Lamplugh, jlamplugh@lrhsd.org, Cherokee High School, 856-983-5140 X8609

Unit #4 Accounting for Inventory

Transfer Goal –

Students will be able to independently use their learning to differentiate the pricing of different types of stores.

Stage 1 – Desired Results

Established Goals

[2014 New Jersey Student Learning Standards, Strand\(s\)/CPI #](#)

- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
- 9.3.12.FN-ACT.3 Process, evaluate and disseminate financial information to assist business decision making.

21st Century Themes

(www.21stcenturyskills.org)

- Global Awareness
- Financial, Economic, Business and Entrepreneurial Literacy
- Civic Literacy
- Health Literacy
- Environmental Literacy

21st Century Skills

Learning and Innovation Skills:

- Creativity and Innovation
- Critical Thinking and Problem Solving
- Communication and Collaboration

Information, Media and Technology Skills:

- Information Literacy
- Media Literacy
- ICT (Information, Communications and Technology) Literacy

Life and Career Skills:

	<input checked="" type="checkbox"/> Flexibility and Adaptability <input checked="" type="checkbox"/> Initiative and Self-Direction <input checked="" type="checkbox"/> Social and Cross-Cultural Skills <input checked="" type="checkbox"/> Productivity and Accountability <input checked="" type="checkbox"/> Leadership and Responsibility
<p><u>Enduring Understandings:</u> <i>Students will understand that ...</i></p> <p><i>EU 1</i> it is important to maintain an accurate cost of merchandise inventory.</p> <p><i>EU 2</i> it is important to maintain a sufficient inventory to satisfy consumer demand.</p>	<p><u>Essential Questions:</u></p> <p><i>EU 1</i></p> <ul style="list-style-type: none"> • Why do successful businesses need an effective inventory system? • What effects do the different inventory costing methods have on financial statements? • Should a company always pick the inventory system that results in the highest net income? • In what situations might ending inventory be estimated? <p><i>EU 2</i></p> <ul style="list-style-type: none"> • How is a business affected if they run out of a particular product?
<p><u>Knowledge:</u> <i>Students will know . . .</i></p> <p><i>EU 1</i></p> <ul style="list-style-type: none"> • the purpose of estimating the value of inventory. • that there are many ways to calculate the balance of inventory. <p><i>EU 1, EU 2</i></p> <ul style="list-style-type: none"> • vocabulary and accounting concepts related to inventory. • the purpose of a stock record. 	<p><u>Skills:</u> <i>Students will be able to . . .</i></p> <p><i>EU 1</i></p> <ul style="list-style-type: none"> • determine the cost of merchandise inventory using the FIFO, LIFO, and weighted-average inventory methods. • estimate the cost of merchandise inventory using the gross profit method of estimating inventory. <p><i>EU 2</i></p> <ul style="list-style-type: none"> • prepare a stock record.
<p>Stage 2 – Assessment Evidence</p>	

Other Recommended Evidence: *Tests, Quizzes, Prompts, Self-assessment, Observations, Dialogues, etc.*

- Answer unit questions
- Define vocabulary terms
- Study Guide consisting of t/f, multiple choice, and matching questions
- Completion of accounting problems
- Test and quizzes on unit content
- Practice Set/Reinforcement Activity

Stage 3 – Learning Plan

Suggested Learning Activities to Include Differentiated Instruction and Interdisciplinary Connections: *Consider the WHERETO elements. Each learning activity listed must be accompanied by a learning goal of A=Acquiring basic knowledge and skills, M=Making meaning and/or a T=Transfer.*

In this unit on accounting for inventory, you are to introduce the Enduring Understanding and Essential Questions and the students need to know how to calculate the value of inventory using various methods.

- Define unit terms and concepts **(A)**
- Create a Stock Record **(A)**
- Calculate the balance of inventory using multiple costing methods **(A)**
- Explain when a business would estimate the cost of inventory rather than take a physical count. **(M)**
- Afford opportunities for students to express levels of concern and understanding. **(M)**
- Unit Test **(T)**
- Preparing a Stock Record **(A, M, T)**
- Determining the Cost of Inventory using FIFO, LIFO and Weighted-Average Costing Methods **(A, M, T)**
- Estimating Ending Inventory Using the Gross Profit Method **(A, M, T)**
- Students will compare the impact of different costing methods on the financial statements. **(M, T)**
- Students will calculate the value of inventory using various methods. **(M, T)**
- Students will estimate the ending inventory. **(M, T)**
- Take a graded assignment and explain where you made a mistake(s) and what you would do to fix it. **(M, T)**
- Use formative assessments and summative assessments for basic student understanding. **(M, T)**
- Students will compare and contrast why prices change between a small business and a big box store. **(M, T)**

Ensure that there are ongoing cycles of model, practice, feedback, and adjustment built into the unit.