



# Accounting II Curriculum

Board Approved: March 21, 2024

## Course Information

### **Course Description:**

The Advanced Accounting 2 course is designed to provide high school students with an in-depth understanding of the principles and practices of accounting beyond the basics. This course builds upon the foundation of financial and managerial accounting concepts and delves into more complex accounting topics, preparing students for a deeper comprehension of financial reporting, analysis, and decision-making processes. Workers with accounting skills are needed in every industry, as they play key roles in financial management of private businesses, government agencies, schools and nonprofits.

### **Transfer Goals:**

Students will be able to independently use their learning to analyze and interpret financial information for multiple aspects of running a successful business

**Curriculum Standards:** [National MBA Finance Standards](#)- Finance Cluster

**Curriculum Resource(s):** Cengage Century 21 Accounting Advanced 11e

*Priority standards indicated in **bold***

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# Unit 1: Departmentalized Accounting

Timeframe: 8 weeks (Chapters 1-4)

**Unit Description:** In this unit, students will learn various aspects of accounting dedicated to payroll, purchasing, sales and specific financial reports. The topics and skills in this unit include recording departmental purchases, cash payments, sales, and cash receipts, calculating & recording departmental payroll data, and financial reporting for a departmentalized business.

## Enduring Understandings:

- An accounting system showing accounting information for two or more departments is called a departmental accounting system.
- In complex businesses, departmentalized accounting is used to merge and analyze data from different divisions of the business.
- Employees are an essential element of the business world. A business must keep records of each employee's earnings, amounts withheld, and net amount paid.
- Financial statements are essential since they provide information about a company's revenue, expenses, profitability, and debt that is used to make business decisions.

## Essential Questions:

- How can a business utilize a departmental accounting system to efficiently run their business?
- How would a business determine whether a departmental accounting system is needed for their business?
- Why should a business consider using a departmental accounting system over a different system?
- How might a business determine how frequently they do payroll?
- Why should a departmentalized merchandising business prepare financial statements?

## Unit 1 Standards

| STANDARD CODE | STUDENTS WILL KNOW, BE ABLE TO, AND UNDERSTAND:   |
|---------------|---|
| FI: 449       | <ul style="list-style-type: none"> <li>• I can journalize transactions in a purchases journal and sales journal.</li> <li>• I can journalize transactions in cash payments journal and cash receipts journal.</li> <li>• I can journalize transactions in a general journal.</li> <li>• I can post transactions from a general journal to a general ledger.</li> <li>• I can post transactions from a purchases journal to accounts payable ledger.</li> <li>• I can post transactions from a cash payment journal to accounts payable ledger.</li> <li>• I can post transactions from a sales journal to the accounts receipts ledger.</li> <li>• I can post transactions from a cash receipts journal to the accounts receivable ledger.</li> </ul> |
| FI: 686       | <ul style="list-style-type: none"> <li>• I can journalize the payment of payroll and payroll taxes.</li> </ul>  |
| NF: 225       | <ul style="list-style-type: none"> <li>• I can compare and contrast direct and indirect expenses for a departmentalized merchandising business.</li> <li>• I can analyze financial reporting for a departmentalized business.</li> </ul>  |

*Priority standards indicated in bold*

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# Unit 2: Accounting Adjustments and Valuation

Timeframe: 9 weeks (Chapters 5-9)

**Unit Description:** In Unit 2, students will explore various ways to track inventory and assign a value to it, based on specified criteria. Students will determine how assets can lose or gain value over time, and will apply appropriate process to determine those values. They will also explore the array of expenses that businesses incur to operate. The topics and skills found in this unit include inventory planning & valuation, uncollectible accounts, plant assets, notes payable, prepaid expenses, accrued expenses, unearned revenue, accrued revenue and installment notes receivable.

## Enduring Understandings:

- Generally accepted accounting principles require that a business consistently apply the same method when reporting comparable financial statements.
- Since many business transactions are completed on account, a business should investigate the customer's credit rating to ensure that the customer will pay promptly.
- Plant assets are assets that will be used for a number of years in the operation of a business.
- First In First Out and Last In First Out are two common methods of tracking inventory and determining price of products.
- Depreciation is a process that shows the decrease in value of an asset over time, and is an important piece of information when completing financial statements.

## Essential Questions:

- How do you know which cost of inventory method to use?
- Why should the amount of an uncollectible account be removed from the assets of a business?
- How can an accountant analyze all costs associated with plant assets to make business decisions?
- How do you accurately choose the method of depreciation for a company asset?

## Unit 2 Standards

| STANDARD CODE | STUDENTS WILL KNOW, BE ABLE TO, AND UNDERSTAND:   |
|---------------|---|
| FI 586        | <ul style="list-style-type: none"> <li>• <b>I can estimate and explain the cost of merchandise inventory using the FIFO method.</b></li> <li>• <b>I can estimate and explain the cost of merchandise inventory using LIFO method.</b></li> <li>• <b>I can estimate and explain the cost of merchandise inventory using weighted-average inventory costing methods.</b></li> <li>• <b>I can estimate and explain the cost of merchandise inventory using the gross profit and retail methods.</b></li> </ul> |
| FI 691        | <ul style="list-style-type: none"> <li>• I can record the purchase of plant assets.</li> <li>• I can calculate depreciation using different accounting methods.</li> </ul>  |

*Priority standards indicated in bold*

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# Unit 3: Corporation Accounting

Timeframe: 10 weeks (Chapters 10-14)

**Unit Description:** In this unit, students will learn and practice accounting skills that are specific to a corporation. Students will understand the pros and cons of being a corporation, and how the financial structures of corporations are created. Topics and skills include organizing a corporation, corporate dividends, treasury stock, accounting for bonds, financial reporting and analysis for a corporation, and statement of cash flow.

## Enduring Understandings:

- An organization with the legal rights of a person which many persons may own is called a corporation.
- Corporations can be structured where they own other corporations under their company umbrella.
- Statements of cash flows can be used to determine a company's abilities to produce cash in the future, pay debts, show changes in cash balance, and evaluate a company's investment and equity transactions.
- Companies issue corporate bonds to raise money for a variety of purposes, such as building a new plant, purchasing equipment, or growing the business.

## Essential Questions:

- Why should a business be organized as a corporation, as opposed to a different type of business?
- How can a statement of cash flows be used in a business?
- How does a corporation use bonds?

## Unit 3 Standards

| STANDARD CODE  | STUDENTS WILL KNOW, BE ABLE TO, AND UNDERSTAND:   |
|----------------|---|
| FI: 359        | <ul style="list-style-type: none"> <li>• I can identify and explain a statement of cash flows.</li> <li>• I can prepare various sections of a statement of cash flows.</li> </ul> |
| FI: 523        | <ul style="list-style-type: none"> <li>• I can explain how a corporation issues bonds.</li> <li>• I can journalize and post bond entries for a business.</li> </ul>               |
| <b>FI: 526</b> | <ul style="list-style-type: none"> <li>• <b>I can identify different types of stocks.</b></li> <li>• <b>I can journalize and post stock entries for a business.</b></li> </ul>    |

Priority standards indicated in **bold**

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# Unit 4: Management Accounting

**Timeframe: 10 weeks (Chapters 15-19)**

**Unit Description:** In the final unit, students will evaluate various financial reports in order to analyze the financial health of the business. Students will be introduced to decision making processes of businesses and understand how businesses must use collected data when planning. Topics and skills in this unit include budgetary planning and control, management decision making using cost-volume-profit analysis, job order costing, management decision making using differential analysis, process costing, activity-based costing, and product pricing.

**Enduring Understandings:**

- Cost-Volume-Profit Analysis is used to analyze the relationship among sales, costs, and expenses of a business.
- Budgetary planning helps businesses and organizations track their income and spending to ensure they are not overspending.
- Differential analysis is a decision-making technique that examines the benefits and costs associated with each of two options and compares the net results of the two. The alternative selected is the one with the most favorable (or least unfavorable) financial impact.
- Accounting careers offer a variety of positions with a growing field. Accounting careers offer growth opportunities, competitive salaries along with rewarding and respected work.

**Essential Questions:**

- How is a cost-volume-profit analysis used to drive business decisions?
- How can a company use budgetary planning and control?
- How is differential analysis used to make business decisions?
- Why should someone consider a career in accounting?

## Unit 4 Standards

| STANDARD CODE | STUDENTS WILL KNOW, BE ABLE TO, AND UNDERSTAND:  |
|---------------|--|
| FI:454        | <ul style="list-style-type: none"> <li>• I can identify fixed and variable costs.</li> <li>• I can prepare various income statements.</li> </ul>   |
| PD:337        | <ul style="list-style-type: none"> <li>• I can identify various career opportunities in the accounting career field.</li> <li>• I can explain the roles and responsibilities of accounting professionals.</li> </ul> |

*Priority standards indicated in **bold***

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