Effective Semester / Session: Fall 2011

Type of Action:

X New
Modification
Move to Inactive (Stop Out)
Cancellation

Course Alpha and Number: AC 220

Course Title: Accounting Principles I

Reason for initiating, revising, or canceling:
This course guide has been revised to reflect changes in the department name, textbook, number of credits, contact hours, course prerequisites, English Placement Level, Math Placement Level, degree requirements met by the course, course outline, and the student learning outcomes, and the addition of assessment measures.

Shelly Tudela 02/25/11
Proposer

Dr. John Griffin 02/25/11
Department Chair

Barbara K. Merfalen 02/25/11
Dean of Academic Programs and Services
Course: AC 220 Accounting Principles I

1. Department
   Business

2. Purpose
   To provide the student with basic knowledge and understanding of the process of keeping clear and accurate business records by applying accepted accounting principles, concepts, and practices.

3. Description

   A. Required/Recommended Textbook(s) and Related Materials
      Required:
      Readability level: Grade 12

   B. Contact Hours
      1. Lecture: 3 per week / 45 per semester
      2. Lab:
      3. Other:

   C. Credits
      1. Number: 3
      2. Type: Regular degree credits

   D. Catalogue Course Description
      This is a comprehensive course covering generally accepted accounting principles, the accounting cycle, accounting for service and merchandise enterprises, payroll, cash management, valuation of inventory, accounts receivable, plant assets and current liabilities.
      Prerequisites: CS 103 and MG 220. English Placement Level: EN 101. Math Placement Level: MA 132. (Offered Fall and Spring)

   E. Degree or Certificate Requirements Met by Course
      This is a required course for the A. A. degree in Business, the A.A.S. degrees in Business Administration—Accounting Emphasis, Business Management Emphasis, and Computer Applications Emphasis, and the A.A.S. degree in Hospitality Management.
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F. Course Activities and Design
Students will become familiar with the course material through lectures and will apply knowledge learned to exercises and problems both in and outside of class. Students will also use class time when needed to work on projects, class assignments, and other related activities.

4. Course Prerequisite(s);
   Required English/Mathematics Placement Level(s)
   Prerequisites: CS 103 and MG 220
   English Placement Level: EN 101
   Math Placement Level: MA 132

5. Estimated Cost of Course; Instructional Resources Needed
   Cost to the Student: Tuition for a 3-credit course, the cost of the textbook, and the student activities fee.

   Cost to the College: Instructor’s salary

   Instructional resources needed for this course include computer laboratory, whiteboard, and overhead projector for PowerPoint presentations.

6. Method of Evaluation
Student grades will be based on the regular letter grade system as described below:

   A: Excellent – grade points: 4.0
   B: Above average – grade points: 3.0
   C: Average – grade points: 2.0
   D: Below average – grade points: 1.0
   F: Failure – grade points: 0.0

NMC’s grading and attendance policies will be followed.
7. Course Outline

This is a topical outline and does not necessarily indicate the sequence in which the material will be presented.

1.0 Accounting in Business
   1.1 Importance of Accounting
   1.2 Fundamentals of Accounting
   1.3 Transaction Analysis and the Accounting Equation
   1.4 Financial Statements

2.0 Analyzing and Recording Transactions for a Service Business
   2.1 Analyzing and Recording Process
   2.2 Trial Balance

3.0 Adjusting Accounts and Preparing Financial Statements
   3.1 Timing and Reporting
   3.2 Adjusting Accounts
   3.3 Preparing Financial Statements

4.0 Completing the Accounting Cycle
   4.1 Work Sheet as a Tool
   4.2 Closing Process
   4.3 Accounting Cycle
      4.3.1 Collect source documents
      4.3.2 Analyze transactions
      4.3.3 Enter transactions in a journal
      4.3.4 Post transactions in the general ledger
   4.4 Classified Balance Sheet

5.0 Accounting for Merchandising Operations
   5.1 Merchandising Activities
   5.2 Accounting for Merchandise Purchases
   5.3 Accounting for Merchandise Sales
   5.4 Completing the Accounting Cycle
   5.5 Financial Statement Formats

6.0 Inventories and Cost of Sales
   6.1 Inventory Basics
   6.2 Inventory Costing under a Perpetual System
   6.3 Valuing Inventory at the Lower of Cost or Market Price, and the effects of Inventory Errors
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7.0 Accounting Information Systems
   7.1 Fundamental System Principles
   7.2 Components of Accounting Systems
   7.3 Special Journals in Accounting
   7.4 Technology-Based Accounting Systems

8.0 Cash and Internal Controls
   8.1 Internal Control
   8.2 Control of Cash
   8.3 Banking Activities as Controls

9.0 Accounting for Receivables
   9.1 Accounts Receivable
   9.2 Notes Receivable
   9.3 Disposing of Receivables

10.0 Plant Assets, Natural Resources, and Intangibles
    10.1 Cost Determination
    10.2 Depreciation
    10.3 Additional Expenditures
    10.4 Disposals of Plant Assets

11.0 Current Liabilities and Payroll Accounting
    11.1 Characteristics of Liabilities
    11.2 Known (Determinable) Liabilities
    11.3 Estimated Liabilities
    11.4 Contingent Liabilities

12.0 Accounting for Partnerships
    12.1 Partnership Form of Organization
    12.2 Basic Partnership Accounting
    12.3 Admission and Withdrawal of Partners
    12.4 Liquidation of a Partnership
8. Instructional Goals
   This course will introduce students to:

   1.0 Generally accepted accounting principles and concepts and their applications;

   2.0 Accounting systems and the importance of keeping clear and accurate accounting records;

   3.0 The accounting equation and recording transactions using the equation;

   4.0 The use of T-accounts in recording transactions;

   5.0 The accounting cycle and the procedures used by different business organizations;

   6.0 Recording transactions for a service business;

   7.0 Posting procedures from the general journal to the general ledger;

   8.0 Accounting for a merchandising business;

   9.0 Inventory systems, costing inventory, and special inventory valuation procedures;

   10.0 The importance of an internal control system;

   11.0 Banking and cash management control;

   12.0 Accounts receivable and accounts payable;

   13.0 Accounting for plant assets;

   14.0 Payroll accounting; and

   15.0 Accrued and deferred expenses and revenues.
9. **Student Learning Outcomes**

Upon successful completion of this course, students will be able to:

1.0 Explain and apply generally accepted accounting principles and concepts;

2.0 Explain the importance of keeping accounting records, and of reporting and presenting clear and accurate accounting information;

3.0 Analyze transactions and record such transactions using the accounting equation;

4.0 Record transactions in T-accounts;

5.0 Identify the components of the accounting cycle and follow the procedures used in the cycle;

6.0 Analyze transactions for a service business and record them in the general journal;

7.0 Post the general journal in the general ledger;

8.0 Prepare general financial statements;

9.0 Perform accounting procedures for a merchandising business and prepare financial statements for this type of business organization;

10.0 Determine the cost of inventory using different valuation methods;

11.0 Apply internal control procedures in a business;

12.0 Reconcile bank statements and cash balances, and apply cash control measures;

13.0 Determine the value of and record notes receivable and payable;

14.0 Perform accounting for plant assets;

15.0 Calculate employee earnings and deductions, and record such information in a payroll system; and
16.0 Properly record accrued and deferred expenses and revenues.

10. **Assessment Measures**
    Assessment of student learning may include, but not be limited to, the following:

    1.0 Periodic quizzes and tests;
    2.0 Class activities and class participation;
    3.0 Homework;
    4.0 Special project assignments; and
    5.0 A final exam.