Northern Marianas College
CURRICULUM ACTION REQUEST

Effective Semester / Session: Fall 2011

Type of Action:
- New
- Modification
- Move to Inactive (Stop Out)
- Cancellation

Course Alpha and Number: AC 221

Course Title: Accounting Principles II

Reason for initiating, revising, or canceling:
This course guide has been revised to reflect changes in the department name, the textbook, contact hours, catalogue course description, degree requirements met by the course, Math Placement Level, course outline, instructional goals, and 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. Mentalen 02/25/11
Dean of Academic Programs and Services
1. **Department**: Business

2. **Purpose**
   
   Provide the student with basic knowledge and understanding of the process of keeping clear and accurate business records for partnerships and corporations by applying accepted accounting principles, concepts, and procedures.

3. **Description**

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

   B. **Contact Hours**
      
      1. Lecture: 4 per week / 60 per semester
      2. Lab:
      3. Other:

   C. **Credits**
      
      1. Number: 4
      2. Type: Regular degree credits

   D. **Catalogue Course Description**
      
      This course continues the study of accounting principles with emphasis on accounting for corporations. This course covers preparations of cash flow statements; financial statements analysis; introduction to cost accounting, budgeting, and planning; using accounting for management purposes; and an introduction to accounting for a manufacturing enterprise. Prerequisite: AC 220. English Placement Level: EN 101. Math Placement Level: MA 132. (Offered Fall and Spring)

   E. **Degree or Certificate Requirements Met by Course**
      
      This course is required for the A.A. degree in Business and the A.A.S. degrees in Business Administration—Accounting Emphasis and Business Management Emphasis.
F. Course Activities and Design
   In addition to classroom lectures, students will also use class time as needed to work on course assignments, exercises, class projects, and related activities.

4. Course Prerequisite(s);
   Required English/Mathematics Placement Level(s)
   Prerequisites: AC 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 4-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
   E: 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 for Corporations
   1.1 Corporate Forms of Organization
   1.2 Common Stock
   1.3 Dividends
   1.4 Preferred Stock
   1.5 Treasury Stock
   1.6 Reporting Equity

2.0 Long-Term Liabilities
   2.1 Basics of Bonds
   2.2 Bond Issuances
   2.3 Bond Retirement
   2.4 Long-Term Notes Payable

3.0 Investments and Foreign Currency Operations
   3.1 Basics of Investments
   3.2 Reporting of Noninfluential Investments
   3.3 Reporting of Influential Investments

4.0 Reporting Statement of Cash Flows
   4.1 Basics of Cash Flow Reporting
   4.2 Cash Flows from Operating
   4.3 Cash Flows from Investing
   4.4 Cash Flows from Financing

5.0 Analysis of Financial Statements
   5.1 Basics of Analysis
   5.2 Horizontal Analysis
   5.3 Vertical Analysis
   5.4 Ratio Analysis

6.0 Managerial Accounting Concepts and Principles
   6.1 Managerial Accounting Basics
   6.2 Managerial Cost Concepts
   6.3 Reporting Manufacturing Activities
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7.0 Job Order Cost Accounting
   7.1 Job Order Cost Accounting Concepts
   7.2 Job Order Cost Flows and Reports
   7.3 Adjustment of Overapplied or Underapplied Overhead

8.0 Process Accounting
   8.1 Process Operations
   8.2 Process Cost Accounting
   8.3 Equivalent Units of Production
   8.4 Process Costing Illustration

9.0 Cost Allocation and Performance Measurement
   9.1 Overhead Cost Allocation Methods
   9.2 Departmental Accounting
   9.3 Departmental Expense Allocation
   9.4 Responsibility Accounting

10.0 Cost-Volume-Profit Analysis
    10.1 Identifying Cost Behavior
    10.2 Measuring Cost Behavior
    10.3 Using Break Even Analysis
    10.4 Applying Cost-Volume-Profit Analysis

11.0 Master Budgets and Planning
    11.1 Budget Process
    11.2 Budget Administration
    11.3 Master Budget

12.0 Flexible Budgets and Standard Costs
    12.1 Budgetary Process
    12.2 Flexible Budget Reports
    12.3 Materials and Labor Standards according to Company Policy
    12.4 Cost Variances
    12.5 Overhead Standards and Variances
    12.6 Extensions of Standard Costs

13.0 Capital Budgeting and Managerial Decisions
    13.1 Methods Not Using Time Value of Money
    13.2 Methods Using Time Value of Money
    13.3 Decisions and Information
    13.4 Managerial Decision Scenarios
8. Instructional Goals
This course will introduce students to:

1.0 Different ways of organizing and financing corporations;

2.0 Accounting for a corporation, issuance of bonds and long-term notes, and investments;

3.0 Special accounting topics for corporations relating to measurement and reporting problems and financial statements;

4.0 The purpose and content of a cash flow statement and the preparation of such statements using indirect methods;

5.0 The preparation of comparative and common-size financial statements;

6.0 Financial statements analysis and specific analytical procedures;

7.0 How management uses accounting data;

8.0 Manufacturing costs and completion of the accounting cycle for a manufacturing enterprise;

9.0 Accounting for the flow of job order costs;

10.0 Types of cost accounting systems, the flow of costs, and accounting for labor, materials, and factory overhead costs;

11.0 Fixed and variable costs, direct and indirect costs, and controllable and noncontrollable costs; and

12.0 Budgeting for operations and the cash and capital budgets.

9. Student Learning Outcomes
Upon successful completion of this course, students will be able to:

1.0 Describe the nature of a corporation;

2.0 Record transactions pertaining to paid-in capital and retained earnings;
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3.0 Determine dividends to be paid to stockholders;
4.0 Record the issuance of bonds and long-term notes;
5.0 Analyze and determine financing alternatives for a corporation;
6.0 Prepare financial statements for a corporation;
7.0 Use financial data for measurement purposes, and identify problems relating to reporting and interpreting financial data;
8.0 Prepare classified financial statements;
9.0 Prepare a cash flow statement using direct and indirect methods;
10.0 Prepare comparative and common-size financial statements;
11.0 Use specific analytical procedures to analyze financial statements;
12.0 Explain how management uses accounting data for decision making;
13.0 Perform accounting for a manufacturing company;
14.0 Explain the flow of costs;
15.0 Use different types of cost accounting systems;
16.0 Identify different types of costs; and
17.0 Prepare cash and capital budgets.

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;
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4.0 Special project assignments; and

5.0 A final exam.