

**Coffeyville Community College**

**BUSN-171**

**COURSE SYLLABUS**

**FOR**

**FINANCIAL ACCOUNTING**

**Carolyn Nelson**  
**Instructor**

**Spring 2016**

**COURSE NUMBER:** BUSN-171

**COURSE TITLE:** Financial Accounting

**CREDIT HOURS:** Three

**INSTRUCTOR:** Carolyn Nelson

**OFFICE LOCATION:** Weinberg Hall Room 121

**OFFICE HOURS:** As posted

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**REQUISITES:** None

**REQUIRED TEXT:** *Financial Accounting, Information for Decisions, 6th Edition, John J. Wild and Working Papers, 6th edition.*

**COURSE DESCRIPTION:** An introduction to basic accounting concepts and includes the collecting, recording, and reporting data. This course will also introduce corporations. This course is for students with little or no prior knowledge of accounting and will benefit career development of students from all disciplines.

**EXPECTED LEARNER  
OUTCOMES:**

Part I Accounting Principles and Practices

1. Define accounting and explain the function and purpose.
2. Discuss basic accounting concepts.
3. Identify the major financial statements and explain their uses.

Part II Accounting Systems for Recording Business Transactions

1. Explain the accounting equation and identify its components.
2. Identify the tools used in recording business transactions.
3. Explain rule of debits and credits.
4. Record a transaction in formal accounting records.

5. Prepare a trial balance.
6. Discuss correction of accounting errors.

#### Part III Reporting and Preparing Financial Statements

1. Discuss common types of accounting systems.
2. Discuss accrual basis adjustments.
3. Complete end of period procedures.

#### Part IV Merchandising Operations

1. Introduce and define merchandising terms.
2. Collect accounting information from an invoice.
3. Read debit and credit memorandums.
4. Calculate cost of goods sold.

#### Part V Inventories and Inventory Management

1. Understand and determine proper inventory valuation.
2. Determining proper inventory valuation.
3. Understand the use of inventory systems.

#### Part VI Cash Management

1. Discuss the use of checking accounts and preparing bank reconciliations.
2. Discuss petty cash uses and controls.

#### Part VII Receivables

1. Record negotiable instruments and explain their uses.
2. Explain techniques used in management of uncollectible accounts.

#### Part VIII Long Term Assets

1. Discuss the classification of plant assets.
2. Demonstrate the accounting procedures necessary for natural resources.
3. Explain accounting techniques used in accounting for intangible assets.

#### Part IX Bonds

1. Describe bond transactions

#### Part X Reporting and Analyzing Equity

1. Discuss corporate business organization forms.
2. Describe capital stock transactions.
3. Discuss dividends.
4. Compute earnings per share.

#### Part XI Reporting and Analyzing Cash Flows

1. Prepare a Statement of Cash Flows.

### **LEARNING TASKS & ACTIVITIES:**

This class will be taught by a combination of lecture, class discussion, and student exercises from selected text chapters. Lecture will be used to

introduce new concepts. Class discussion will be used to clarify the concepts. Problems and exercises will be assigned to demonstrate the practical application of the topic under discussion.

## **ASSESSMENT OF OUTCOMES:**

**ATTENDANCE** is important, because class concepts build on each other.

**ABSENCES:** Regular attendance is expected. **Any student who has 7 unexcused absences will be dropped from the class for excessive absences and non-participation in the class.** Refer to Page 20 of the College catalog – “Withdrawal from Classes for Non-Attendance/Non-Participation”.

College sponsored events will be counted as excused absences provided students complete all necessary assignments as designated by the instructor. Excused absences are to include academic competition, judging team competition, music events, official athletic events, field trips, and other College-sponsored events as approved by the Vice President for Learning.

**TARDY:** You are counted tardy anytime that you come in after the attendance has been taken. Three tardies make an unexcused absence.

**ELECTRONICS:** Cell phones, iPods, and/or any other electronic devices are not allowed to be turned on during class time and should be out of sight. If you are caught using one of these devices you will be counted an unexcused absence for the class.

**SLEEPING:** You must be more than just physically present in class. You must pay attention—not talking to your neighbor, appearing to sleep, or doing work not related to this class. You must bring to class and use the assigned text. Uncooperative students will be dismissed from class for the day and counted absent.

**Be courteous to the class.** If lecture has started and the door is closed, do not stand at the door and knock. Consider yourself absent for the class. You

will be counted as an unexcused absence. If the door is still open, come in quietly. You will be counted tardy.

Once class begins, you cannot get up and leave without specific permission from the instructor. If you have to leave without permission, do not return. You will be counted absent.

Be respectful to yourself, your classmates and your instructor. We can all work towards a good semester.

**Daily Work** will be assigned and students will be held responsible for completion. Students should come to class prepared to discuss exercises and problems.

**Quizzes** will be given periodically throughout the Semester. **No makeup quizzes will be given.**

**Exams** use conceptual and computational questions to test the student's comprehension and application of accounting concepts. The exam format will be a combination of multiple choice questions, matching, and problems. Tentatively, there will be five unit exams covering material discussed in the "expected learner outcomes" section of the syllabus. If an exam is missed, it is the student's responsibility to schedule a make-up exam.

***Final exam is Wednesday, March 2, 2016.***

**Grades** will be based on the following schedule.

Daily work	35%
Quizzes	5%
Major Exams	40%
Final Problem	20%

<u>Grade</u>	<u>Percentage</u>
A	100 -90%
B	89 – 80%
C	79 – 70%
D	69 – 60%
F	59 – 0%

**Additional Information:**

Student Responsibilities include, but are not limited to being prepared, being in class, and participating in discussions. If the student misses class for any reason, it is up to the student to find out what was missed. All materials discussed in class are subject to examination.

Disabilities that require any accommodation or other assistance should make an appointment to speak with me as soon as possible.

Plagiarism and cheating is unacceptable.

**THIS SYLLABUS IS SUBJECT TO REVISION WITH PRIOR NOTICE TO THE STUDENT BY THE INSTRUCTOR.**

# **Financial Accounting Competencies**

## **I. ACCOUNTING PRINCIPLES AND PRACTICES**

### **DEFINE ACCOUNTING AND EXPLAIN ITS FUNCTIONS AND PURPOSES**

1. Define Accounting. (Knowledge)
2. List the three functions of accounting. (Knowledge)
3. Discuss how various “user groups” will use accounting data. (Application)
4. List the basic accounting principles. (Knowledge)

### **IDENTIFY THE MAJOR FINANCIAL STATEMENTS AND EXPLAIN THEIR USES**

5. List the major financial statements and describe the information found on each report. (Knowledge)
6. Compare the relationship of each financial report to each other. (Application)

## **II. ACCOUNTING SYSTEMS FOR RECORDING BUSINESS TRANSACTIONS**

### **EXPLAIN THE ACCOUNTING EQUATION AND IDENTIFY EACH OF ITS COMPONENTS**

7. Define each part of the accounting equation. (Knowledge)
8. Distinguish between a real and a nominal account. (Application)
9. Analyze and record a transaction using the accounting equation. (Application)

### **IDENTIFY THE TOOLS USED IN RECORDING BUSINESS TRANSACTIONS**

10. Define the basic tools used (Chart of Accounts, Accounts, Ledgers, and Journals) in recording business transactions. (Knowledge)
11. Prepare a Chart of Accounts. (Application)
12. Identify its basic components of an account. (Understanding)
13. Describe the organization of a ledger. (Understanding)
14. Name the basic parts of a journal. (Understanding)

### **EXPLAIN THE RULE OF DEBITS AND CREDITS**

15. Define debit and credit. (Knowledge)
16. Explain how the rule of debit and credit is applied to the accounting equation. (Understanding)

## TO RECORD A TRANSACTION IN FORMAL ACCOUNTING RECORDS

17. List the first five steps in the accounting cycle. (Knowledge)
18. Record a transaction in a journal. (Application)
19. Describe the posting process. (Knowledge)
20. Post transaction to the ledger. (Application)

## PREPARE A TRIAL BALANCE

21. Define a trial balance. (Understanding)
22. Prepare a trial balance. (Application)

## III. REPORTING AND PREPARING FINANCIAL STATEMENTS

### DISCUSS COMMON TYPES OF ACCOUNT SYSTEMS USED IN PRACTICE TODAY

23. Describe the common accounting systems. (Knowledge)

### DISCUSS THE NEED FOR ADJUSTMENTS IN AN ACCRUAL BASIS ACCOUNTING SYSTEM

24. Explain the need for adjustments. (Understanding)
25. Define Accruals and Deferrals. (Knowledge)
26. Define Depreciation as it is used in the accounting system. (Understanding)
27. Discuss how contra accounts are used in the accounting system. (Understanding)
28. Determine end adjustments necessary at end of period. (Application)
29. Record end of period adjustments. (Understanding)

### COMPLETE END OF PERIOD PROCEDURES

30. Define closing entries. (Knowledge)
31. Describe which accounts are closed and why. (Understanding)
32. List the four steps required to close the accounting records. (Knowledge)
33. Define a post-closing trial balance and explain its function. (Understanding)

## IV. MERCHANDISING OPERATIONS

### INTRODUCE AND DEFINE MERCHANDISING TERMS

34. Define and classify merchandise, merchandise inventory, sales, purchases as used in merchandising operations, transactions, and etc. (Knowledge)



#### READ AND COLLECT ACCOUNTING INFORMATION FROM AN INVOICE

- 35. Identify the six types of information that is collected from an invoice.  
(Knowledge)
- 36. Calculate trade and cash discounts. (Understanding)
- 37. Determine length of cash discount period. (Understanding)
- 38. Using FOB terms, determine who (buyer or seller) pays shipping charges.  
(Understanding)

#### READ AND USE DEBIT AND CREDIT MEMORANDUMS

- 39. Define Debit and Credit Memorandum. (Knowledge)

#### CALCULATE COST OF GOODS SOLD

- 40. Define Cost of Goods Sold. (Knowledge)
- 41. List the formula for calculating Cost of Goods Sold. (Knowledge)
- 42. Discuss the importance of Gross Profit. (Knowledge)
- 43. Calculate Gross Profit. (Understanding)

#### PREPARE YEAR END INFORMATION FOR A MERCHANDISE ORGANIZATION

- 44. Prepare a set of financial statements for merchandising organization.  
(Understanding)

### **V. INVENTORIES AND INVENTORY MANAGEMENT**

#### UNDERSTAND THE IMPORTANCE OF PROPER INVENTORY VALUATION

- 45. List three reasons why proper valuation of inventories is important in financial statement presentation. (Knowledge)

#### DETERMINE PROPER INVENTORY VALUATION

- 46. Define and calculate each of the following inventory methods:
  - a. Specific Costing
  - b. First – In      First – Out
  - c. Last – In      First – Out
  - d. Weighted Average
  - e. Lower of Cost or Market, whichever is smaller (Knowledge)

## UNDERSTAND THE USE OF INVENTORY SYSTEMS

- 47. Compare the difference between a periodic and perpetual inventory system. (Understanding)
- 48. Journalize inventory transactions using the perpetual inventory systems. (Understanding)

## VI. CASH MANAGEMENT

### DISCUSS THE USE OF CHECKING ACCOUNTS AND PREPARING BANK RECONCILIATIONS

- 49. List the advantages of using a checking account. (Knowledge)
- 50. Define and discuss the purpose of a bank reconciliation. (Knowledge)
- 51. Prepare a bank reconciliation. (Understanding)
- 52. Determine and record the journal entries necessary as a result of the bank reconciliation. (Application)

### DISCUSS PETTY CASH USES AND CONTROLS

- 53. Define Petty Cash. (Knowledge)
- 54. Explain how the petty cash fund is established and used. (Understanding)
- 55. Prepare the journal entry necessary to reimburse the petty cash fund. (Understanding)

## VII. RECEIVABLES

### RECORD NEGOTIABLE INSTRUMENTS AND EXPLAIN THEIR USES

- 56. Define a negotiable instrument. (Knowledge)
- 57. From a negotiable instrument, calculate and record date due, interest, and maturity value. (Understanding)

### EXPLAIN TECHNIQUES USED IN MANAGEMENT OF UNCOLLECTABLE ACCOUNTS

- 58. Discuss the differences between the two methods (direct write-off and allowance) of dealing with uncollectible accounts. (Understanding)
- 59. Using the direct write-off method, record the transaction to write-off an uncollectible account. (Understanding)

- 60. Calculate the uncollectible accounts expense using the accounts receivable method. (Understanding)
- 61. Record the transaction to write-off an uncollectible account under the allowance method. (Understanding)
- 62. Journalize the transaction to record the recovery of an account previously written off as uncollectible. (Understanding)

## **VIII. LONG-TERM ASSETS**

<b>EXPLAIN THE CLASSIFICATION OF PLANT ASSETS</b>
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- 63. Define and list the characteristics of a plant asset. (Knowledge)
- 64. Discuss how the cost of a plant asset is determined and how life and salvage value are estimated. (Understanding)
- 65. Distinguish between a capital and revenue expenditure. (Understanding)
- 66. Calculate depreciation using each of the following methods.
  - a. Straight Line
  - b. Units Of Production
  - c. Declining Balance
  - d. Accelerated Cost Recovery System. (Understanding)
- 67. Journalize the transactions to record the purchase/disposal of a plant asset and annual depreciation. (Application)
- 68. Explain why land is not depreciated. (Application)

<b>DEMONSTRATE THE ACCOUNTING PROCEDURES NECESSARY FOR NATURAL RESOURCES</b>
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- 69. Define natural resource. (Knowledge)
- 70. Define depletion. (Knowledge)
- 71. Calculate depletion of a natural resource. (Understanding)

<b>EXPLAIN ACCOUNTING TECHNIQUES USED IN ACCOUNTING FOR INTANGIBLE ASSETS</b>
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- 72. Define intangible assets. (Knowledge)
- 73. Define Amortization. (Knowledge)
- 74. Journalize transactions to record amortization of intangible assets. (Application)
- 75. Discuss how the cost and life of an intangible asset is determined. (Understanding)

## **IX. LONG TERM LIABLILTIES**

### **DESCRIBE BOND TRANSACTIONS**

- 76. Describe the characteristics of bonds. (Knowledge)
- 77. Compute the impact of borrowing and present value of bonds. (Application)
- 78. Journalize bond transactions. (Applications)

## **X. REPORTING AND ANALYZING EQUITY**

### **DISCUSS COPORATE BUSINESS ORGANIZATION FORMS**

- 79. Describe the nature of the corporate form of an organization. (Knowledge)

### **DESCRIBE CAPITAL STOCK TRANSACTIONS**

- 80. List two sources of stockholders' equity. (Knowledge)
- 81. List the major sources of paid in capital and various stock. (Knowledge)
- 82. Journalize stock transactions. (Application)

### **DISCUSS DIVIDENDS**

- 83. Journalize cash and stock dividends. (Application)
- 84. Compute earnings per share. (Application)

## **XI. REPORTING AND ANALYZING CASH FLOWS**

### **PREPARE A STATEMENT OF CASH FLOWS**

- 85. Summarize the types of cash flow activities. (Knowledge)
- 86. Prepare a statement. (Application)