

COMPUTERIZED ACCOUNTING I

Curriculum Content Frameworks

Please note: All assessment questions will be taken from the knowledge portion of these frameworks.

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Curriculum Content Frameworks

COMPUTERIZED ACCOUNTING I

Grade Levels: 10-12
Course Code: 492100

Prerequisite: Tech Prep Foundation Core

Course Description: Computerized Accounting I is a two-semester course with emphasis on basic accounting principles as they relate to both manual and computerized financial systems. Instruction is on an integrated basis, using computers and electronic calculators as the relationships and processes of manual and computerized accounting are presented. Entry-level skills in the accounting occupations can be attained.

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Unit 1: Computerized Accounting I

Hours: 3-4

Terminology: Accountant, Accounting, Accounting concept, Accounting period cycle, Adequate disclosure concept, Bookkeeper, Business entity, Business ethics, Certified public accountant, Consistent reporting, Corporation, Ethics, Ethical business practices, General office clerk, Going concern concept, Historical cost, Honesty, Integrity, Merchandising business, Objective evidence, Partnership, Privacy, Realization of revenue, Service business, Sole proprietorship, Truthfulness, Unethical business practices

CAREER and TECHNICAL SKILLS		ACADEMIC and WORKPLACE SKILLS		
What the Student Should be Able to Do		What the Instruction Should Reinforce		
Knowledge	Application	Skill Group	Skill	Description
1.1 Define terminology	1.1.1 Prepare a list of terms with definitions			
1.2 Define two types of business operated to earn a profit (service and merchandising)	1.2.1 Classify two types of businesses operated for profit			
1.3 Discuss three major forms of business organizations (sole proprietorship, partnership, corporation)	1.3.1 Classify three major forms of business organizations 1.3.2 Discuss the critical thinking skills and decision making skills needed for each type of business			
1.4 Identify accounting careers (i.e., general office clerk, bookkeepers, accountants, certified public accountant)	1.4.1 Compare and contrast different accounting careers			
1.5 Identify professional accounting organizations and student organizations	1.5.1 Compare and contrast different professional accounting organizations 1.5.2 Encourage students to participate in FBLA events			
1.6 Identify and discuss the commonly accepted accounting concepts	1.6.1 Identify and discuss objective evidence, adequate disclosure concept, going concern concept, accounting period cycle, business entity, consistent reporting, matching expenses with revenue, historical cost, realization of revenue, consistent reporting			

CAREER and TECHNICAL SKILLS		ACADEMIC and WORKPLACE SKILLS		
What the Student Should be Able to Do		What the Instruction Should Reinforce		
Knowledge	Application	Skill Group	Skill	Description
1.7 Identify characteristics of professional work ethics	1.7.1 Discuss honesty, privacy, truthfulness, and integrity 1.7.2 Discuss ethical and unethical business practices			

Unit 2: Basic Accounting Cycle – Service Business

Hours: 45-50

Terminology: Account, Account balance, Account number, Account title, Accounting cycle, Accounting equation, Accounting period cycle concept, Accounting record, Accounting system, Adequate disclosure concept, Adjusting entries, Adjustments, Assets, Balance sheet, Business entity concept, Capital, Chart of accounts, Closing entries, Consistent reporting concept, Correcting entry, Credit, Debit, Equities, File maintenance, Fiscal period, General ledger, Going concern concept, Income statement, Ledger, Liability, Matching expenses with revenue concept, Net income, Net loss, Objective evidence concept, Opening an account, Owner's equity, Permanent accounts, Post-closing trial balance, Posting, Proprietorship, Temporary accounts, Transaction, Trial balance, Work sheet

CAREER and TECHNICAL SKILLS		ACADEMIC and WORKPLACE SKILLS		
What the Student Should be Able to Do		What the Instruction Should Reinforce		
Knowledge	Application	Skill Group	Skill	Description
2.1 Define terminology	2.1.1 Prepare a list of terms with definitions			
2.2 Explain steps in preparing chart of accounts	2.2.1 Assign account numbers, arrange accounts in the general ledger, and keep records current			
2.3 Explain the accounting equation	2.3.1 Identify the components of the accounting equation and determine how they are impacted			
2.4 Explain steps in analyzing transactions	2.4.1 Analyze transactions			
2.5 Explain steps in journalizing transactions for a service business	2.5.1 Record transactions in a journal			
2.6 Explain steps in posting to general ledger	2.6.1 Post from the journal to general ledger			
2.7 Identify parts of a work sheet	2.7.1 Prepare a work sheet			
2.8 Identify financial statements	2.8.1 Prepare financial statements: balance sheet and income statement			
2.9 Recording adjusting and closing entries	2.9.1 Journalize adjusting and closing entries			
	2.9.2 Prepare a post-closing trial balance			

Unit 3: Cash Control and Banking Procedures

Hours: 5-6

Terminology: Automated Teller Machine (ATM), Bank reconciliation, Bank statement, Blank endorsement, Checking account, Debit card, Deposit slip, Dishonored check, Electronic Funds Transfer (ETF), Petty cash, Restrictive endorsement, Special endorsement

CAREER and TECHNICAL SKILLS		ACADEMIC and WORKPLACE SKILLS		
What the Student Should be Able to Do		What the Instruction Should Reinforce		
Knowledge	Application	Skill Group	Skill	Description
3.1 Define terminology	3.1.1 Prepare a list of terms with definitions			
3.2 Describe the purpose of a deposit slip	3.2.1 Prepare a deposit slip			
3.3 Identify the types of endorsements	3.3.1 Prepare various types of endorsements (i.e., restrictive, special, blank)			
3.4 Explain the purpose of preparing a check	3.4.1 Prepare a check			
3.5 Discuss bank reconciliation	3.5.1 Demonstrate the procedure of reconciling a bank statement			
3.6 Discuss dishonored checks	3.6.1 List the reasons banks dishonor checks			
3.7 Discuss electronic banking and associated terms (i.e., Electronic Funds Transfers [EFT], Automated Teller Machine [ATM])	3.7.1 Analyze and record various banking transactions in a journal (i.e., transferring of funds, night deposits)			
3.8 Describe a petty cash system	3.8.1 Analyze and record transactions in a journal to establish a petty cash fund			
	3.8.2 Analyze and record transactions in a journal to replenish a petty cash fund			

Unit 4: Basic Accounting Cycle – Merchandising Business

Hours: 40-50

Terminology: Accounts payable ledger, Accounts receivable ledger, Batch report, Batching out, Capital stock, Corporation, Cash discount, Cash receipt journal, Cash over, Cash sale, Cash short, Contra account, Controlling account, Cost of merchandise, Cost of merchandise sold, Credit card sale, Credit memorandum, Current Assets, Customer, Debit memorandum, General amount column, Gross profit on sales, Inventory, Markup, List price, Merchandise, Merchandise inventory, Plant Assets, Point-of-sale, Purchase invoice, Purchases discount, Purchases allowance, Purchases return, Retail merchandising business, Retained earnings, Sales discount, Sales journal, Sales return, Sales allowance, Sales tax, Schedule of accounts payable, Schedule of accounts receivable, Share of stock, Special amount column, Stockholder, Subsidiary ledger, Supporting schedule, Terms of sale, Terminal summary, Trade discount, Vendor, Wholesale merchandising business, Refer to terms listed in Objective 1.4

CAREER and TECHNICAL SKILLS		ACADEMIC and WORKPLACE SKILLS		
What the Student Should be Able to Do		What the Instruction Should Reinforce		
Knowledge	Application	Skill Group		
4.1 Define terminology	4.1.1 Prepare a list of terms with definitions			
4.2 Explain steps in journalizing transactions relating to a merchandising business	4.2.1 Journalize transactions for a merchandising business foundation			
4.3 Explain posting to general and subsidiary ledgers (accounts receivable and accounts payable ledgers)	4.3.1 Post transactions to general and subsidiary ledgers (accounts receivable, accounts payable ledgers)			
4.4 Identify the elements of the schedules of accounts receivable and accounts payable	4.4.1 Prove the subsidiary ledgers by preparing schedules of accounts receivable and accounts payable			
4.5 Analyze financial statements for merchandising business	4.5.1 Prepare financial statements for a merchandising business			
	4.5.2 Compute and analyze component percentages			
4.6 Explain steps for journalizing adjusting and closing entries for a merchandising business	4.6.1 Journalize adjusting and closing entries for a merchandising business			
	4.6.2 Prepare a post-closing trial balance			

Unit 5: Payroll Accounting

Hours: 10-20

Terminology: 941, Employee earnings record, Employer's payroll taxes, Federal unemployment tax, Gross earnings, Medicare tax, Net pay, Pay period, Payroll, Payroll checks, Payroll records, Payroll register, Payroll system, Payroll taxes, State unemployment tax, W-2, W-3, W-4

CAREER and TECHNICAL SKILLS		ACADEMIC and WORKPLACE SKILLS		
What the Student Should be Able to Do		What the Instruction Should Reinforce		
Knowledge	Application	Skill Group	Skill	Description
5.1 Define terminology	5.1.1 Prepare a list of terms with definitions			
5.2 Discuss payroll system	5.2.1 Discuss the importance of accurate payroll records			
	5.2.2 Calculate gross earnings and net pay			
	5.2.3 Prepare payroll register			
	5.2.4 Prepare an employee earnings record			
	5.2.5 Prepare payroll checks			
	5.2.6 Journalize payroll			
5.3 Discuss employer's payroll taxes	5.3.1 Calculate and record employer's payroll taxes (Social Security, Medicare, State unemployment, and Federal unemployment)			
5.4 Identify tax reports that are prepared regularly by the employer	5.4.1 Prepare employee payroll forms: <ul style="list-style-type: none"> • W-2 • W-3 • W-4 • 941 			

Glossary

Unit 1: Computerized Accounting I

1. Accountant – a person who plans, summarizes, analyzes, and interprets accounting information
2. Accounting – planning, recording, analyzing, and interpreting financial information
3. Accounting concepts – commonly accepted concepts that guide accounting personnel in their work
4. Accounting period cycle – changes in financial information are reported for a specific period of time in the form of financial statements
5. Adequate disclosure concept – financial statements contain all information necessary to understand a business' financial condition
6. Bookkeeper – a person who does general accounting work plus some summarizing and analyzing of accounting information
7. Business entity – financial information is recorded and reported separately from the owner's personal financial information
8. Business ethics – the use of personal ethics in making business decisions
9. Certified Public Accountant (CPA) – designation by the American Institute of Certified Public Accountants for those who pass an exam and meet work-experience requirements.
10. Consistent reporting – the same accounting procedures must be followed in the same way in each accounting period
11. Corporation – a legal entity that is separate and distinct from its owners
12. Ethics – the principles of right and wrong that guide an individual in making decisions
13. Ethical business practices – moral values and principles that determine our conduct in the business world
14. General office clerk – a person who does general kinds of office tasks, including some accounting tasks
15. Going concern concept – financial statements are prepared with the expectation that a business will remain in operation indefinitely
16. Historical cost – when the actual amount paid for merchandise or other items bought is recorded
17. Honesty – the quality or fact of being honest; truthfulness
18. Integrity – adherence to moral and ethical principles; soundness of moral character; honesty
19. Merchandising business – a business that purchases and sells goods
20. Objective evidence – a source document is prepared for each transaction
21. Partnership – a business in which two or more people combine their assets and skills
22. Privacy – freedom from unauthorized intrusion; state of being let alone and ability to keep personal matters confidential

23. Realization of revenue – revenue is recorded at the time goods or service are sold
24. Service business – a business that performs an activity for a fee
25. Sole proprietorship – a business owned by one person
26. Truthfulness – consistently telling the truth; honest
27. Unethical business practices – any activity that contradicts moral values and principles that determines our conduct in the business world

Unit 2: Basic Accounting Cycle – Service Business

1. Account – a record summarizing all the information pertaining to a single item in the accounting equation
2. Account balance – the amount in an account
3. Account number – the number assigned to an account
4. Account title – the name given to an account
5. Accounting cycle – the series of accounting activities included in recording financial information for a fiscal period
6. Accounting equation – an equation showing the relationship among assets, liabilities, and owner's equity
7. Accounting period cycle concept – changes in financial information are reported for a specific period of time in the form of financial statements
8. Accounting record – an organized summary of a business's financial activities
9. Accounting system – a planned process for providing financial information that will be useful to management
10. Adequate disclosure concept – financial statements that contain all information necessary to understand a business's financial condition
11. Adjusting entries – journal entries recorded to update general ledger accounts at the end of a fiscal period
12. Adjustments – changes recorded on a work sheet to update general ledger accounts at the end of the fiscal period
13. Assets – anything of value that is owned
14. Balance sheet – a financial statement that reports assets, liabilities, and owner's equity on a specific date.
15. Business entity concept – financial information is recorded and reported separately from the owner's personal financial information
16. Capital – the account used to summarize the owner's equity in a business
17. Chart of accounts – a list of accounts used by a business.
18. Closing entries – journal entries used to prepare temporary accounts for a new fiscal period
19. Consistent reporting concept – the same accounting procedures are followed in the same way in each accounting period
20. Correcting entry – a journal entry made to correct an error in a ledger
21. Credit – an entry to the right side of a T account
22. Debit – an amount entered on the left side of a T account

23. Equities – financial rights to the assets of a business
24. File maintenance – the procedure for arranging accounts in a general ledger, assigning account numbers, and keeping records current
25. Fiscal period – the length of time for which a business summarizes and reports financial information
26. General ledger – a ledger that contains all accounts needed to prepare financial statements
27. Going concern concept – financial statements are prepared with the expectation that a business will remain in operation indefinitely
28. Income statement – a financial statement showing the revenue and total expenses for a fiscal period
29. Ledger – a group of accounts
30. Liability – an amount owed by a business
31. Matching expenses with revenue concept – revenue from business activities and expenses associated with earning that revenue are recorded in the same accounting period
32. Net income – the difference between total revenue and total expenses when total revenue is greater
33. Net loss – the difference between total revenue and total expenses when total expenses are greater
34. Objective evidence concept – a source document is prepared for each transaction
35. Opening an account – writing the account title and number on the heading of an account
36. Owner's equity – the amount remaining after the value of all liabilities subtracted from the value of all assets
37. Permanent accounts – accounts used to accumulate information from one fiscal period to the next
38. Post-closing trial balance – a trial balance prepared after the closing entries are posted
39. Posting – transferring information from a journal entry to a ledger account
40. Proprietorship – a business owned by one person
41. Temporary accounts – accounts used to accumulate information until it is transferred to the owner's capital account
42. Transaction – a business activity that changes assets, liabilities, or owner's equity
43. Trial balance – a proof of the equality of debits and credits in a general ledger
44. Work sheet – a columnar accounting form used to summarize the general ledger information needed to prepare financial statements

Unit 3: Cash Control and Banking Procedures

1. Automated teller machine (ATM) – electronic machine from which cash deposits and withdrawals can be made
2. Bank reconciliation – bringing into agreement a bank statement with a party's cash account records
3. Bank statement – a report of deposits, withdrawals, and bank balances sent to a depositor by a bank
4. Blank endorsement – an endorsement that consists only of the endorser's signature on the back of a check
5. Checking account – a bank account from which payments can be ordered by a depositor
6. Debit card – a bank card that automatically deducts the amount of the purchase from the checking account of the cardholder
7. Deposit slip – a form prepared for the placement of cash (coins, bills, checks) into a checking account
8. Dishonored check – a check that a bank refuses to pay
9. Electronic funds transfer (EFT) – the use of a computer and telecommunications network to transfer funds from one party to another
10. Petty cash – a system established by a business that keeps a small amount of cash on hand for making small payments
11. Restrictive endorsement – an endorsement found on the back of a check restricting further transfer of a check's ownership
12. Special endorsement – an endorsement indicating a new owner of a check; also known as an endorsement in full

Unit 4: Basic Accounting Cycle – Merchandising Business

1. Accounts payable ledger – a subsidiary ledger containing only accounts for vendors from whom items are purchased or bought on account
2. Accounts receivable ledger – a subsidiary ledger containing only accounts for charge customers
3. Batch report – a report which gives performance information over a specific date range
4. Batching out – closing out all the transactions on the system that were processed for a particular day
5. Capital stock – total amount of a firm's capital, represented by the value of its issued common and preferred stock (ordinary and preference shares)
6. Corporation – business that meets certain legal requirements to be recognized as having a legal existence, as an entity separate and distinct from its owners
7. Cash discount – incentive offered by a seller to a buyer for settling the invoice immediately on delivery or in a period substantially shorter than the conventional period in that industry or market.
8. Cash receipt journal – journal in which all cash receipts and payments (including bank deposits and withdrawals) are recorded first, in chronological order, for posting to general ledger
9. Cash over – a petty cash on hand amount that is more than a recorded amount.
10. Cash sale – a sale in which cash is received for the total amount of the sale at the time of the transaction
11. Cash short – a petty cash on hand amount that is less than a recorded amount.
12. Contra account – an account that reduces a related account on a financial statement
13. Controlling account – an account in a general ledger that summarizes all accounts in a subsidiary ledger
14. Cost of merchandise – the price a business pays for goods it purchases to sell
15. Cost of merchandise sold (goods) – the total original price of all merchandise sold during a fiscal period
16. Credit card sale – a sale in which a credit card is used for the total amount of the sale at the time of the transaction
17. Credit memorandum -form or letter sent by a seller to a buyer, stating that a certain amount has been credited to the buyer's account.
18. Current assets – any asset expected to last or be in use for less than one year
19. Customer – a person or business to which merchandise or services are sold

20. Debit memorandum – form or letter issued by a seller to advise the amount owed by the buyer
21. Distribution-of-net-income statement – a partnership financial statement showing net income or loss distribution to partners
22. General amount column – a journal amount column that is not headed with an account title.
23. Gross profit on sales – the revenue remaining after cost of merchandise sold has been deducted
24. Historical cost concept – the actual amount paid for merchandise or other items bought is recorded
25. Inventory – the amount of goods on hand
26. List price – the retail price listed in a catalog or on an Internet site.
27. Markup – the amount added to the cost of merchandise to establish the selling price
28. Merchandise – goods that a merchandising business purchases to sell
29. Merchandise inventory – the amount of goods on hand for sale to customers
30. Owner's equity statement – a financial statement that summarizes the changes in owner's equity during a fiscal period
31. Partner – each member of a partnership
32. Plant assets – assets that will be used for a number of years in the operation of a business
33. Purchase invoice – an invoice used as a source document for recording a purchase on account transaction
34. Point-of-sale (POS) terminal – a computer used to collect, store, and report all the information of a sales transaction
35. Purchases discount – a cash discount on purchases taken by a customer.
36. Purchases return – credit allowed for the purchase price of returned merchandise, resulting in a decrease in the customer's accounts payable.
37. Purchases allowance – credit allowed for part of the purchase price of merchandise that is not returned, resulting in a decrease in the customer's accounts payable
38. Retail merchandising business – a merchandising business that sells to those who use or consume the goods
39. Retained earnings – an amount earned by a corporation and not yet distributed to stockholders
40. Sales discount – a cash discount on sales
41. Sales journal – a special journal used to record only sales of merchandise on account
42. Sales return – credit allowed a customer for the sales price of returned merchandise, resulting in a decrease in the vendor's accounts receivable

43. Sales allowance – credit allowed a customer for part of the sales price of merchandise that is not returned, resulting in a decrease in the vendor's accounts receivable.
44. Sales tax – a tax on a sale of merchandise or services
45. Schedule of accounts payable – a listing of vendor accounts, account balances, and total amount due all vendors
46. Schedule of accounts receivable – a listing of customer accounts, account balances, and total amount due from all customers
47. Share of stock – each unit of ownership in a corporation
48. Stockholder – an owner of one or more shares of a corporation
49. Special amount column – a journal amount column headed with an account title
50. Subsidiary ledger – a ledger that is summarized in a single general ledger account
51. Supporting schedule – a report prepared to give details about an item on a principal financial statement
52. Terms of sale – an agreement between a buyer and a seller about payment for merchandise
53. Terminal summary – the report that summarizes the cash and credit card sales of a point-of-sale terminal
54. Trade discount – a reduction in the list price granted to customers.
55. Vendor – a business from which merchandise is purchased or supplies or other assets are bought
56. Wholesale merchandising business – a business that buys and resells merchandise to retail merchandising businesses

Unit 5: Payroll Accounting

1. 941 – employer's quarterly federal tax return
2. Employee earnings record – business form used to record details affecting payments made to an employee
3. Employer's payroll taxes – taxes owed to the government by the employer based on payroll
4. Federal unemployment tax – tax paid by employers to provide funds for workers who are temporarily unemployed
5. Gross earnings – total amount earned by an employee for a pay period before deductions
6. Medicare tax – provides health insurance benefits for the elderly
7. Net pay – total earnings paid to an employee after payroll taxes and other deductions are withheld
8. Pay period – period covered by a salary payment
9. Payroll – list of employees and the payments due to each employee for a pay period
10. Payroll checks – checks written to each employee for amount due
11. Payroll records – organized records of a business's payroll activities
12. Payroll register – business form used to record payroll information
13. Payroll system – a planned process for producing and providing payroll information
14. Payroll taxes – taxes withheld from employee earnings
15. State unemployment tax – tax paid by employer to provide funds for workers who are temporarily unemployed
16. W-2 – wage and tax statement
17. W-3 – transmittal of income and tax statement
18. W-4 – tax form that contains the information used to determine the amount of income tax withheld for employees.