Advanced Placement (AP) Accounting Course & Exam Pilot Program
Course Outline, Learning Objectives and Student Outcomes

Course Overview

The Advanced Placement (AP) Accounting Course & Exam Pilot Program is a year-long course based on high school teachers having 90 contact hours with students from August/September through May/June.

The course includes financial accounting, managerial accounting and financial statement analysis topics. *Compared to the traditional, stand-alone financial accounting and managerial accounting courses, this pilot course encompasses more topics and learning outcomes than the traditional financial accounting course, and at least a quarter of the topics and learning outcomes in a traditional managerial course.*

Presented below are the learning outcomes for the course according to whether they are addressed in the traditional financial accounting or managerial accounting course. Learning outcomes for a financial statement analysis course are included with those for a financial accounting course. There are 75 learning outcomes for the course. Of the 75 learning outcomes, 57 learning outcomes, or 76% of the course, are related to a financial accounting course and 18 learning outcomes, or 24% of the course, are related to a managerial accounting course.
Learning Objectives and Student Outcomes

Introduction to Accounting (Module 1)
1. Explain how and why the conceptual framework of accounting and generally accepted accounting principles provide guidance and structure for preparing financial statements.
2. Describe the information provided in each financial statement and how the statements articulate with each other.
3. Identify business ownership structures.
4. Explain the role of management and the auditor in preparing and issuing an annual report.
5. Describe the relationship between assets, liabilities, and equity on the balance sheet.
6. Identify and explain the classifications within assets, liabilities, and equity.
7. Define and calculate the current ratio and debt-equity ratio.
8. Describe the information presented in an income statement. (See supplement)
9. Calculate return on sales (net profit margin) and return on equity.
10. Identify and explain the three phases of the management cycle.
11. Identify and explain the four business processes.
12. Explain and calculate the operating cycle (accounts receivable turnover and inventory turnover).
13. Explain how internal control procedures are used to safeguard assets.
14. Prepare a bank reconciliation.

Accounting Information System (Module 3)
15. Describe the purpose of the accounting system.
16. Describe the purpose of journals and ledgers and their relationship.
17. Analyze and describe how business transactions impact the accounting equation.
18. Apply the double-entry system of accounting to record business transactions and prepare a trial balance.
19. Explain the need for adjusting entries and record adjusting entries.
20. Prepare the financial statements for the different types of business operations and ownership structures.
21. Explain the purposes of the closing process and record closing entries.
22. Complete the steps in the accounting cycle and prepare financial statements. (Practice set)
**Accounting for Merchandising Companies (Module 3 & 4)**
23. Describe the differences between the periodic and perpetual inventory systems.
24. Record business transactions using the periodic inventory system and the perpetual inventory system.
25. Describe the difference between the gross price method and the net price method.
26. Record business transactions using the gross price method and the net price method.
27. Determine cash paid for inventory and operating expenses.
28. Identify and describe the cost flow assumptions for inventory and explain the impact on the balance sheet and income statement.
29. Calculate cost of goods sold and ending inventory using LIFO and FIFO inventory costing methods.
30. Explain how inventory for a manufacturing business differs from inventory for a merchandising business.
31. Explain how an activity-based costing system operates, including the identification of activity cost pools, and the selection of cost drivers.
32. Explain the flow of costs through the manufacturing accounts used in product costing.
33. Compute a predetermined overhead rate, and explain its use in job-order costing.
34. Determine whether manufacturing overhead is over/under-applied.
35. Prepare journal entries to record the costs of direct material, direct labor, and manufacturing overhead in a job-order costing system.
36. Prepare a schedule of cost of goods manufactured, a schedule of cost of goods sold, and an income statement for a manufacturer.

**Introduction to Taxes (Module 3)**
37. Calculate payroll taxes.

**Accounting for Sales and Accounts Receivable (Module 4)**
38. Describe the criteria used to determine revenue recognition.
39. Record revenue-related transactions.
40. Explain the accounting methods used to determine the value of accounts receivable to be reported on the balance sheet and describe the effect on the income statement.
41. Record transactions for accounts receivable, including uncollectible accounts, write-offs, and recoveries.

**Time Value of Money (Module 5)**
42. Determine the present value and future value cash flows

**Accounting for Fixed Assets (Module 6)**
43. Use net present value concepts to make investment decisions.
44. Explain the purpose and methods of cost allocation.
45. Calculate and record depreciation, depletion and amortization and explain the impact on the financial statements.
46. Record the sale and disposal of fixed assets and the impact on the financial statements.
Accounting for Debt (Module 7)
47. Compare and contrast debt and equity financing.
48. Define and calculate TIE (Times-interest-earned ratio)
49. Compare and contrast a periodic payment note payable, a lump-sum note payable, and a periodic
and lump-sum note payable.
50. Calculate the carrying value, interest expense and cash payment for note payable (periodic
payment, lump-sum, periodic and lump-sum) transactions.
51. Record transactions for notes payable: issuance and interest expense.
52. Record transactions for bonds issued at face value, a premium and a discount.
53. Record interest expense for bonds issued at face value, a premium and a discount using the
straight-line method and effective-interest method.

Accounting for Stockholder’s Equity (Module 7)
54. Identify and describe the different classes of stock and explain the rights afforded each class of
stock.
55. Describe the difference between cash dividends, stock dividends and stock splits, and the impact
on the financial statements
56. Record stock transactions: contributions by owners, corporate distributions (dividends), and the
reacquisition of company stock.

Financial Statements (Module 8)
57. Describe the information provided in an income statement, and the purpose of an income
statement.
58. Prepare an income statement.
59. Explain the difference in net income and income from continuing operations (discontinued
operations, extraordinary items).
60. Describe the information provided in a balance sheet and statement of equity, and the purpose of
a balance sheet and statement of equity.
62. Describe the information provided in statement of cash flows, and the purpose of a statement of
cash flows.
63. Prepare a statement of cash flows using the direct method
Cost-Volume-Profit Analysis (Module 2)
64. Identify the activities in the three operating processes.
65. Identify and explain variable costs, fixed costs, and mixed costs.
66. Use high-low analysis to determine variable costs, fixed costs, and mixed costs.
67. Calculate break-even point and perform cost-volume-profit (CVP) analysis.
68. Apply sensitivity analysis to CVP analysis.
69. Determine selling price using sensitivity analysis and CVP analysis.
70. Describe the process of determining selling prices and demonstrate how various strategies are used to determine selling price.
71. Describe the differences among product and non-product costs.
72. Identify and explain product costs: direct/indirect materials, direct/indirect labor, manufacturing overhead.
73. Record direct materials and direct labor transactions.
74. Analyze a make-or-buy decision.
75. Describe the process of determining selling prices and demonstrate how various strategies are used to determine selling price.

Summary of Ratios:
Assess a company’s profitability by calculating:
1. Return on sales (Net profit margin) (Module 1)
2. Earnings per share (EPS) (Module 8)
3. DuPont ROI (ROA) (Module 8)
4. ROE (Return on Equity) (Module 1)

Assess a company’s liquidity and solvency by calculating:
5. Current ratio (Module 1)
6. Operating cycle (Module 1)
   a. Inventory turnover in days
   b. accounts receivable turnover in days

Assess a company’s debt position and ability to pay interest by calculating:
7. Debt-equity ratio (Module 1)
8. TIE (Times-interest-earned ratio) (Module 7)
## Course Outline

<table>
<thead>
<tr>
<th>Module</th>
<th>TITLE</th>
<th>Hours</th>
<th>% of Course</th>
</tr>
</thead>
<tbody>
<tr>
<td>Module 1</td>
<td>Introduction To Accounting &amp; Financial Reporting</td>
<td>8</td>
<td>9%</td>
</tr>
<tr>
<td>Module 2</td>
<td>Cost-Volume-Profit Analysis</td>
<td>13</td>
<td>15%</td>
</tr>
<tr>
<td>Module 3</td>
<td>Accounting Information System</td>
<td>17</td>
<td>19%</td>
</tr>
<tr>
<td>Module 4</td>
<td>Accounting for Sales and Inventory</td>
<td>10</td>
<td>12%</td>
</tr>
<tr>
<td>Module 5</td>
<td>Time Value of Money</td>
<td>8</td>
<td>9%</td>
</tr>
<tr>
<td>Module 6</td>
<td>Accounting for Fixed Assets</td>
<td>8</td>
<td>9%</td>
</tr>
<tr>
<td>Module 7</td>
<td>Accounting for Long-term Liabilities and Equity</td>
<td>15</td>
<td>17%</td>
</tr>
<tr>
<td>Module 8</td>
<td>Financial Statements</td>
<td>9</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>88</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
# MODULE 1: INTRODUCTION to ACCOUNTING & FINANCIAL REPORTING

**Chapters 1, 2 & Supplements**

Learning Objective: Describe generally accepted accounting principles and the objectives of financial reporting.

<table>
<thead>
<tr>
<th>Student Outcomes:</th>
<th>Topic*</th>
<th>Ch &amp; Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Explain how and why the conceptual framework of accounting and generally accepted accounting principles provide guidance and structure for preparing financial statements</td>
<td>F</td>
</tr>
<tr>
<td>1.2</td>
<td>Describe the information provided in each financial statement and how the statements articulate with each other. (See revised exhibit 1.4)</td>
<td>F</td>
</tr>
<tr>
<td>1.3</td>
<td>Identify business ownership structures.</td>
<td>F</td>
</tr>
<tr>
<td>1.4</td>
<td>Explain the role of management and the auditor in preparing and issuing an annual report.</td>
<td>F</td>
</tr>
<tr>
<td>1.5</td>
<td>Describe the relationship between assets, liabilities and equity on the balance sheet.</td>
<td>F</td>
</tr>
<tr>
<td>1.6</td>
<td>Identify and explain the classifications within assets, liabilities, and equity. (See revised exhibit 1.4)</td>
<td>F</td>
</tr>
<tr>
<td>1.7</td>
<td>Define and calculate the current ratio and debt-equity ratio.</td>
<td>A</td>
</tr>
<tr>
<td>1.8</td>
<td>Describe the information presented in an income statement. (See supplement.)</td>
<td>F</td>
</tr>
<tr>
<td>1.9</td>
<td>Calculate return on sales (net profit margin) and return on equity</td>
<td>A</td>
</tr>
<tr>
<td>1.10</td>
<td>Identify and explain the three phases of the management cycle.</td>
<td>F</td>
</tr>
<tr>
<td>1.11</td>
<td>Identify and explain the four business processes.</td>
<td>F</td>
</tr>
<tr>
<td>1.12</td>
<td>Explain and calculate the operating cycle (accounts receivable turnover and inventory turnover).</td>
<td>A</td>
</tr>
<tr>
<td>1.13</td>
<td>Explain how internal control procedures are used to safeguard assets.</td>
<td>F</td>
</tr>
<tr>
<td>1.14</td>
<td>Prepare a bank reconciliation.</td>
<td>F</td>
</tr>
</tbody>
</table>

**Module 1 Total Hours**

8 Hours

* F: Financial Accounting; M: Managerial Accounting; A: Financial Statement Analysis
<table>
<thead>
<tr>
<th>Student Outcomes:</th>
<th>Topic*</th>
<th>Ch &amp; Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Identify the activities in the three operating processes.</td>
<td>M</td>
</tr>
<tr>
<td>2.2</td>
<td>Identify and explain variable costs, fixed costs, and mixed costs.</td>
<td>M</td>
</tr>
<tr>
<td>2.3</td>
<td>Use high-low analysis to determine variable costs, fixed costs, and mixed costs.</td>
<td>M</td>
</tr>
<tr>
<td>2.4</td>
<td>Calculate break-even point and perform cost-volume-profit (CVP) analysis.</td>
<td>M</td>
</tr>
<tr>
<td>2.5</td>
<td>Apply sensitivity analysis to CVP analysis.</td>
<td>M</td>
</tr>
<tr>
<td>2.6</td>
<td>Determine selling price using sensitivity analysis and CVP analysis.</td>
<td>M</td>
</tr>
<tr>
<td>2.7</td>
<td>Describe the process of determining selling prices and demonstrate how various strategies are used to determine selling price.</td>
<td>M</td>
</tr>
<tr>
<td>2.8</td>
<td>Describe the differences among product and non-product costs.</td>
<td>M</td>
</tr>
<tr>
<td>2.9</td>
<td>Identify and explain product costs: direct/indirect materials, direct/indirect labor, manufacturing overhead.</td>
<td>M</td>
</tr>
<tr>
<td>2.10</td>
<td>Analyze a make-or-buy decision.</td>
<td>M</td>
</tr>
<tr>
<td>2.11</td>
<td>Describe the process of determining selling prices and demonstrate how various strategies are used to determine selling price.</td>
<td>M</td>
</tr>
</tbody>
</table>

| Module 2 Total Hours | 13 Hours |

* F: Financial Accounting; M: Managerial Accounting; A: Financial Statement Analysis
# Module 3: Accounting Information System  Chapters 7 & 8

## Learning Objectives:
1. Complete the steps in the accounting cycle in order to prepare the financial statements
2. Apply generally accepted accounting principles to the purchasing (inventory) process for merchandising companies

## Student Outcomes:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Ch &amp; Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Describe the purpose of the accounting system.</td>
</tr>
<tr>
<td>3.2</td>
<td>Describe the purpose of journals and ledgers and their relationship.</td>
</tr>
<tr>
<td>3.3</td>
<td>Analyze and describe how business transactions impact the accounting equation.</td>
</tr>
<tr>
<td>3.4</td>
<td>Apply the double-entry system of accounting to record business transactions and prepare a trial balance.</td>
</tr>
<tr>
<td>3.5</td>
<td>Explain the need for adjusting entries and record adjusting entries.</td>
</tr>
<tr>
<td>3.6</td>
<td>Prepare the financial statements for the different types of business operations and ownership structures.</td>
</tr>
<tr>
<td>3.7</td>
<td>Explain the purposes of the closing process and record closing entries.</td>
</tr>
<tr>
<td>3.8</td>
<td>Complete the steps in the accounting cycle and prepare financial statements. (Practice set)</td>
</tr>
<tr>
<td>3.9</td>
<td>Describe the differences between the periodic and perpetual inventory systems.</td>
</tr>
<tr>
<td>3.10</td>
<td>Record business transactions using the periodic inventory system and the perpetual inventory system.</td>
</tr>
<tr>
<td>3.11</td>
<td>Describe the difference between the gross price method and the net price method.</td>
</tr>
<tr>
<td>3.12</td>
<td>Record business transactions using the gross price method and the net price method.</td>
</tr>
<tr>
<td>3.13</td>
<td>Determine cash paid for inventory and operating expenses.</td>
</tr>
<tr>
<td>3.14</td>
<td>Calculate payroll taxes.</td>
</tr>
</tbody>
</table>

## Module 3 Total Hours
17 Hours

* F: Financial Accounting; M: Managerial Accounting; A: Financial Statement Analysis
### MODULE 4: ACCOUNTING FOR SALES AND INVENTORY  Chapter 9 & 10

#### Learning Objectives:
1. Apply generally accepted accounting principles to the sales and collection process.
2. Apply generally accepted accounting principles to the inventory and cost of goods sold.

<table>
<thead>
<tr>
<th>Student Outcomes</th>
<th>Topic*</th>
<th>Ch &amp; Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 Describe the criteria used to determine revenue recognition.</td>
<td>F</td>
<td>Ch 10 (p 276 – 294) 6 hours</td>
</tr>
<tr>
<td>4.2 Record revenue-related transactions.</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>4.3 Explain the accounting methods used to determine the value of accounts receivable to be reported on the balance sheet and describe the effect on the income statement.</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>4.4 Record transactions for accounts receivable, including uncollectible accounts, write-offs, and recoveries.</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>4.5 Identify and describe the cost flow assumptions for inventory and explain the impact on the balance sheet and income statement.</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>4.6 Calculate cost of goods sold and ending inventory using LIFO and FIFO inventory costing methods.</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>4.7 Explain how inventory for a manufacturing business differs from inventory for a merchandising business.</td>
<td>M</td>
<td>Ch 9 (p 247 – 258) 4 hours</td>
</tr>
<tr>
<td>4.8 Explain how an activity-based costing system operates, including the identification of activity cost pools, and the selection of cost drivers.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>4.9 Explain the flow of costs through the manufacturing accounts used in product costing.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>4.10 Compute a predetermined overhead rate, and explain its use in job-order costing.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>4.11 Determine whether manufacturing overhead is over/under-applied.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>4.12 Prepare journal entries to record the costs of direct material, direct labor, and manufacturing overhead in a job-order costing system.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>4.12 Prepare a schedule of cost of goods manufactured, a schedule of cost of goods sold, and an income statement for a manufacturer.</td>
<td>M</td>
<td></td>
</tr>
</tbody>
</table>

**Module 4 Total Hours** 10 Hours

* F: Financial Accounting; M: Managerial Accounting; A: Financial Statement Analysis

### MODULE 5: TIME VALUE OF MONEY/CAPITAL INVESTMENTS  Chapter 11

#### Learning Objective: Apply time value of money concepts to business scenarios.

<table>
<thead>
<tr>
<th>Student Outcomes</th>
<th>Topic*</th>
<th>Ch &amp; Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1 Determine the present value and future value cash flows.</td>
<td>F</td>
<td>Ch 11 8 hours</td>
</tr>
</tbody>
</table>

**Section 5 Total Hours** 8 Hrs

* F: Financial Accounting; M: Managerial Accounting; A: Financial Statement Analysis
### MODULE 6: ACCOUNTING FOR FIXED ASSETS  Chapter 12 & 16

**Learning Objective:**
1. Apply time value of money concepts to make capital investments.
2. Apply generally accepted accounting principles to fixed assets.

<table>
<thead>
<tr>
<th>Student Outcome</th>
<th>Topic*</th>
<th>Ch &amp; Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1 Use net present value concepts to make investment decisions.</td>
<td>F</td>
<td>Ch 12 (p 341 – 348) 2 hours</td>
</tr>
<tr>
<td>6.2 Explain the purpose and methods of cost allocation.</td>
<td>F</td>
<td>Ch 16 6 hours</td>
</tr>
<tr>
<td>6.3 Calculate and record depreciation, depletion and amortization and explain the impact on the financial statements.</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>6.4 Record the sale and disposal of fixed assets and the impact on the financial statements.</td>
<td>F</td>
<td></td>
</tr>
</tbody>
</table>

**Module 6 Total Hours** 8 hours

* F: Financial Accounting; M: Managerial Accounting; A: Financial Statement Analysis
<table>
<thead>
<tr>
<th>Student Outcomes</th>
<th>Topic*</th>
<th>Ch &amp; Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1 Compare and contrast debt &amp; equity financing; review debt-to-equity ratio.</td>
<td>F</td>
<td>Ch 13 (p 369 – 376; 380 – 389)</td>
</tr>
<tr>
<td>7.2 Identify and describe the different classes of stock and explain the rights</td>
<td>F</td>
<td>5 hours</td>
</tr>
<tr>
<td>afforded each class of stock.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.3 Describe the difference between cash dividends, stock dividends and stock</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>splits, and the impact on the financial statements.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.4 Record stock transactions: contributions by owners, corporate distributions</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>(dividends), and the reacquisition of company stock.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.5 Define and calculate TIE (Times-interest-earned ratio).</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>7.6 Compare and contrast a periodic payment note payable, a lump-sum note</td>
<td>F</td>
<td>Ch 14</td>
</tr>
<tr>
<td>payable, and a periodic and lump-sum note payable.</td>
<td></td>
<td>5 hours</td>
</tr>
<tr>
<td>7.7 Calculate the carrying value, interest expense and cash payment for note</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>payable (periodic payment, lump-sum, periodic and lump-sum) transactions.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.8 Record transactions for notes payable: issuance and interest expense.</td>
<td>F</td>
<td>Ch 15</td>
</tr>
<tr>
<td>7.9 Record transactions for bonds issued at face value, a premium and a discount.</td>
<td>F</td>
<td>5 hours</td>
</tr>
<tr>
<td>7.10 Record interest expense for bonds issued at face value, a premium and a</td>
<td>F</td>
<td></td>
</tr>
<tr>
<td>discount using the effective-interest method.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Module 7 Total Hours** 15 Hours

* F: Financial Accounting; M: Managerial Accounting; A: Financial Statement Analysis
# Module 8: Financial Statements

**Chapters 17, 18, and 19**

**Learning Objective:** Prepare and analyze financial statements.

<table>
<thead>
<tr>
<th>Student Outcomes</th>
<th>Topic*</th>
<th>Ch &amp; Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.1</td>
<td>Describe the information provided in an income statement, and the purpose of an income statement.</td>
<td>F</td>
</tr>
<tr>
<td>8.2</td>
<td>Prepare an income statement.</td>
<td>F</td>
</tr>
<tr>
<td>8.3</td>
<td>Explain the difference in net income and income from continuing operations (discontinued operations, extraordinary items).</td>
<td>F</td>
</tr>
<tr>
<td>8.4</td>
<td>Define and calculate earnings per share (EPS) and DuPont ROI (supplement).</td>
<td>F</td>
</tr>
<tr>
<td>8.5</td>
<td>Describe the information provided in a balance sheet and statement of equity, and the purpose of a balance sheet and statement of equity.</td>
<td>F</td>
</tr>
<tr>
<td>8.6</td>
<td>Prepare a balance sheet and statement of equity.</td>
<td>F</td>
</tr>
<tr>
<td>8.7</td>
<td>Describe the information provided in statement of cash flows, and the purpose of a statement of cash flows.</td>
<td>F</td>
</tr>
<tr>
<td>8.8</td>
<td>Prepare a statement of cash flows using the direct method.</td>
<td>F</td>
</tr>
</tbody>
</table>

**Module 8 Total Hours** 9 Hours

* F: Financial Accounting; M: Managerial Accounting; A: Financial Statement Analysis
Module 1 Chapters 1 and 2

(8 hrs x 60 min)/50min = 9.6 Class Periods

Class #1 Assignment: Read Chapter 1, pages 2 - 25, E1.5, E1.6, E1.8, E1.10, E1.12
Lecture on:
A. Five basic functions of a business.
B. The development of business and accounting E1.14, E1.18

Class #2 Assignment: E1.1, E1.2
Work: P1.1, P1.5, P1.10, P1.11
Lecture on:
A. Differences among types of businesses and organization structures E1.1, E1.2
B. GAAP

Class #3 Assignment: Handout Income Statement Supplement and Revised Exhibit 1.4;
Lecture on:
A. Purpose of financial statements
B. Relationship of financial statements

Class #4 Assignment: E1.9, E1.15, E1.19, P1.8, P1.9
Lecture on:
A. Current Ratio, Return on Sales, and Debt-to-Equity Ratio

Class #5 Assignment: In-Class Cases
Review In-Class Cases
Take Chapter 1 Quiz (optional)
Class #6 Assignment: Read Chapter 2, pages 34 - 39; E2.2, E2.5, E2.15, E2.16

Lecture on:
   A. Management Cycle
   B. Business Processes

Class #7 Assignment: Chapter 2, pages 39-44; CT2.1

Lecture on:
   A. Balance Scorecard Approach

Class #8 Assignment: Chapter 2, pages 44-48; E2.6,7,8,9

Lecture on:
   A. Internal Controls

Class #9 Assignment: Chapter 2, pages 48-51; E2.13, P2.2, P2.3

Lecture on:
   A. Bank Reconciliation

Class #10 Assignment: In-Class Cases

Review In-Class Cases
Take Chapter 2 Quiz (optional)

Class #11 Module Exam #1

Class #12 Module Exam #1

Class #13 Review Module Exam #1

MODULE 2 Chapters 3, 4, and 5

(13 hrs x 60 min)/50 = 15.6 hours

Class #1 Assignment: Chapter 3, pages 63-68; E3.1,2,5

Lecture on:
A. Revenue Process

Class #2 Assignment: Chapter 3, pages 69-75

Lecture on:
A. Expenditure Process
B. Conversion Process

Class #3 Assignment: Chapter 3, pages 75-81; E3.7,8,9,10; P3.1

Lecture on:
A. Cost and Revenue Behavior

Class #4 Assignment: Chapter 3, pages 81-83; E3.13, E3.15, P3.4

Lecture on:
A. High/low method of cost or revenue estimation

Class #5 Assignment: In-Class Cases

Review In-Class Cases
Take Chapter 3 Quiz (optional)

Class #6 Assignment: Chapter 4, pages 99-104; E4.1

Lecture on:
A. Short Term Decisions
B. Cost-Volume-Profit Analysis
C. Breakeven point

Class #7 Assignment: Chapter 4, pages 99-104 cont.

Lecture on:
A. Determining Target Profit Level
Work: E4.2,3,4,5,6,7,8; P4.8

Class #8 Assignment: Chapter 4, pages 104-109; E4.10,11,12

Lecture on:
A. Sensitivity Analysis
B. Relevant Variable Analysis

Class #9 Assignment: Chapter 4, pages 109-113; E4.13,14,16

Lecture on:
A. Accept-or-Reject Decisions
B. Make-or-Buy Decisions

Class #10 Assignment: Chapter 4, pages 113-114; E4.19,20

Lecture on:
A. Keep-or-Drop Decisions

Class #11 Assignment: Additional Practice Problems

Class #12 Assignment: In-Class Cases

Review In-Class Cases
Take Chapter 4 Quiz (optional)

Class #13 Assignment: Chapter 5, pages 127-133; E5.20,21,22

Lecture on:
A. Determining Selling Price
B. Pricing Strategies
C. Reasons to Maintain Inventory or Not

Class #14 Assignment: Chapter 5, pages 140-142; P5.1

Lecture on:
A. Identifying what constitutes compensation

Class #15 Assignment: In-Class Cases

Review In-Class Cases
Take Chapter 5 Quiz (optional)

Classes #16 and #17 Module 2 Exam

Classes #18 Review Module 2 Exam
MODULE 3  Chapters 7 and 8

(17 hrs x 60 min)/50 min = 20.4 Class Periods

Class #1 Assignment: Chapter 7, pages 180-185; E7.1

  Lecture on:
  A. Accounting Equation
  B. Purpose of Journals and Ledgers and their relationship

Class #2 Assignment: Chapter 7, pages 185-187; E7.2,3,4,8;

  Lecture on:
  A. How business transactions impact the accounting equation
  B. Double-entry system and journalizing
  C. Posting

Class #3 Assignment: Chapter 7, pages 187-190;

  Work P7.8
  Lecture on:
  A. Adjusting Entries

Class #4 Assignment: Practice of Adjusting Entries

  Work E7.9,10,11,12,13,14

Class #5 Assignment: Chapter 7, pages 190-193; E7.17

  Lecture on:
  A. Closing Entries

Class #6 Assignment: Chapter 7, page 198

  Work E7.5, E7.16; P7.1,2,3
  Lecture on:
  A. Financial Statements
Class #7 Assignment:

Work P7.9
Lecture on:
A. Post-Closing Trial Balance

Class #8 Assignment:

Work P7.6, 7
Lecture on:
A. Compare and contrast manual and computerized accounting systems

Class #9 and #10 Assignment: C7.2

Work C7.2

Class #11 Assignment:

Finish C7.2
Handout Practice Set and get them started

Class #12 Assignment:

Work In-Class Cases

Class #13 and #14 Assignment:

Review Practice Set
Take Chapter 7 Quiz (optional)

Class #15 Assignment: Chapter 8, pages 214, 218-220; E8.4,5

Lecture on:
A. Periodic vs Perpetual Inventory Systems

Class #16 Assignment: Chapter 8, pages 220-224; E8.6,7,8,9,10

Lecture on:
A. Gross vs Net Price Methods

Revised
B. Reporting Inventory Purchases and Payments

Class #17 Assignment:

Work P8.3,4

Class #18 Assignment: Chapter 8, pages 224-228

Work E8.2; P8.2

Class #19 Assignment:

Work In-Class Cases

Class #20 Assignment:

Review In-Class Cases
Take Chapter 8 Quiz (optional)

Classes #21 and 22 Module 3 Exam

Class #23 Review Module 3 Exam

MODULE 4 Chapters 10 and 9

(10 hrs x 60 min)/50 min = 12 Class Periods

Class #1 Assignment: Chapter 10, pages 274-281; E10.1,3,5

Lecture on:
A. Revenue Recognition and Recording

Class #2 Assignment: Chapter 10, pages 281-289; E10.11,12,13

Lecture on:
A. Figuring COGS using FIFO and LIFO
Work lecture example #1 together, then go over E10.11,12,13

Class #3 Assignment:

Work P10.2, 4,6

Revised
Class #4 Assignment: Chapter 10, pages 289-291; E10.7,8,9

Lecture on:
   A. Recording Uncollectible Accounts

Class #5 Assignment: Chapter 10, pages 291-292; E10.14,15; P10.9

Lecture on:
   A. Reporting Revenue Process Activities on Financial Statements

Class #6 Assignment:

Work P10.9

Class #7 Assignment: In-Class Cases

Review In-Class Cases
Take Chapter 10 Quiz (optional)

Class #8 Assignment: Chapter 9, pages 245-247; E9.1,2

Lecture on:
   A. Manufacturing Inventories

Class #9 Assignment: Chapter 9, pages 247-249; E9.3,4,5,6; P9.6

Lecture on:
   A. Raw Materials and Labor Activities

Class #10 Assignment: Chapter 9, pages 249-255; E9.7,8,9,10,11

Lecture on:
   A. Recording Manufacturing Overhead Events and Finished Goods

Class #11 Assignment: Chapter 9, pages 255-256; E9.12,13

Lecture on:
   A. Reporting Conversion Process Events

Revised
Class #12 Assignment: In-Class Cases

Review In-Class Cases
Take Chapter 9 Quiz (optional)

Class #13 and #14 Module 4 Exam

Class #15 Review Module 4 Exam
Module 5 Chapter 11

(8 hrs x 60 min)/50min = 9.6 Class Periods

Class #1 Assignment: Read Chapter 11, E11-1

Lecture on:
A. Distinction between return on and return of investment.
B. Rate of return and impact of risk factors
C. Expected Rate of Return
D. Simple vs. Compound Interest

Class #2 Assignment: E11-3, 4

Lecture on:
A. Future Value of $1
B. Using Tables vs Using Calculator
C. Present Value of $1

Class #3 Assignment: E11-13, 14, 8, 9

Class #4 Assignment: E11-6

Lecture on:
A. Future Value of an Annuity

Class #5 Assignment: P11-3, E11-7

Work P11.13
Lecture on:
A. Present Value of Annuity
Class #6 Assignment: P11.4, 6, 7, 13

Work: P11.4
Lecture on:
A. Identification of type of time-value problem

Class #7 Assignment: P11-5, 10, 11

Class #8 Assignment: P11-14 C11-2

Class #9 Assignment: CT11-1, 2 EC11.2

Class #10 Module Exam #5

MODULE 6 Chapters 12 (partial) and 16

(6 hrs x 60 min)/50 min = 7.2 Class Periods

Class #1 Assignment: Chapter 12 pages 339-346, E12-1, 2, 4

Lecture on:
A. Long-term Investments
B. Cost of Capital
C. Net Present Value

Class #2 Assignment: E12-5, 6 Chapter 16 pages 448-450, E16-1

Work: E12-5, 6
Lecture on:
A. What is included in the cost of an asset.

Class #3 Assignment: E16-2, 3 Chapter 16 pages 450 (Depreciation) – 454

Work: E16-2, 3
Lecture on:
A. Why cost allocation
B. Three depreciation methods

Revised
Class #4 Assignment: P16-3 Chapter 16 pages 454-462, E16-9, 10

Work: P16-3
Lecture on:
  A. Revision of estimates and betterments       E16-9
  B. Disposal of PPE                         E16-10

Class #5 Assignment: P16-4, E16-12

Work: P16-4
Lecture on:
  A. Exchanges                               E16-12

Class #6 Assignment: P16-6 Chapter 16 pages 462-464 P16.5

Work: P16-6
Lecture on:
  A. Natural Resources and Intangible Assets   P16-5

Class #7 Module 6 Exam

MODULE 7 Chapters 13-15

(15 hrs x 60 min)/50 = 18 hours

Class #1 Assignment: Chapter 13 pages 367-374, E13-1,2,3,4

Lecture on:
  A. Debt vs. Equity Financing
  B. Financial Leverage
  C. Ratios: D/E, TIE, ROA, ROE               E1-1,2,3,4

Revised
Class #2 Assignment: Chapter 13 pages 378-387 E13-10,13,14

Lecture on:
A. Types of Stock
B. Authorized, Issued, and Outstanding
C. Stock Values
D. Dividends and Stock Splits

Class #3 Assignment: P13-4, E13-15,16

Work: P13-4, E13-15,16

Class #4 Assignment: E13-17,18 P13-5

Work: E13-17,18 P13-5

Class #5 Assignment: P13-7 EC13-2

Work: P13-7, EC13-2

Class #6 Assignment: Chapter 14

Lecture on:
A. Debt Financing Terms
   1. Maker of Note, Holder of Note
   2. Face Value of Note, Face Rate of Note,
   3. Effective Interest Rate, Proceeds of Note
B. Overview of Debt Instruments
   1. Installment Note
   2. Non-interest Bearing Note
   3. Periodic Payment and Lump Sum Note
      (Interest Bearing Note)

Class #7 Assignment: E14-1,2

Lecture on:
A. Installment Note

Revised
Class #8 Assignment: E14-4-16

Lecture on:
   A. Non-interest-Bearing Notes
      E14-4, 16

Class #9 Assignment: E14-5, 6

Lecture on:
   A. Interest-Bearing Notes
      E14-5, 6

Class #10 Assignment: E14-3, 9

Lecture on:
   A. Sources of Debt Financing
      1. Nonpublic
      2. Leases
         E14-13
      3. Bonds – Focus on terms
         E14-9

Class #11 Assignment: P14.1, 2, 6

Work: P14-1, 2, 6

Class #12 Assignment: P14-7 CT14-1

Work: P14-7 CT14-1

Class #13 Assignment: Chapter 15 pages 421-426 E15-2, 4, 8

Lecture on:
   A. Accounting for Equity Events
      1. Issuance of Stock
         E15-2, 4
      2. Dividends (Cash and Stock)
         E15-8
      3. Treasury Stock

Class #14 Assignment: E15-8, 6, 9, 10

Work: E15-8, 6, 9, 10
Class #15 Assignment: Chapter 15 pages 428-439, E15-11, 13, 14

Lecture on:
A. Review of three types of debt instruments E15-11
B. Accounting for Installment Note E15-13, 14

Class #16 Assignment: E15-15, 16

Lecture on:
A. Accounting for Non-interest-Bearing Notes E15-15, 16

Class #17 Assignment: E15-19, 20

Lecture on:
A. Accounting for Interest-bearing Notes E15-19, 20

Class #18 Assignment: P15-2,4,6

Work: P15-2, 4, 6
(Extra Exercises and Problems: E15-17, P15-8, 9, 10)

Classes #19 and #20 Module 7 Exams

MODULE 8

(9 hrs x 60 min)/50 min = 10.8 Class Periods

Class #1 Assignment: Chapter 17 pages 475-486, E17-1

Lecture on:
A. Purpose of Income Statement
B. Components of Income Statement
C. Discontinues Operations
D. Extraordinary Items E17-1

Class #2 Assignment: E17-2, 3, 7

Work: E17-2, 3
Lecture on: Earnings Per Shares E17-7

Revised
Class #3 Assignment: Handout on DuPont Method, P17-1, E17-12

Work: P17-1
Lecture on:
  A. DuPont Method

Optional Hand-in Problem: Choose from P17-3, 4, 5 and have student hand in solution.

Class #4 Assignment: Chapter 18, E18-7,8

Lecture on:
  A. Statement of Owners’ Equity/ Comprehensive Income
  B. Balance Sheet Classifications

Class #5 Assignment: P18-1

Work: P18-1

Class #6 Assignment: P18-2

Work: P18-2
Optional Hand-in Problem: Choose one from P18-3, 4, 5 and have students hand in solution.

Class #7 Assignment: Chapter 19, E19-1

Lecture on:
  A. Purpose of Statement of Cash Flows
  B. Components of Statement of Cash Flows
     1. Operating
     2. Investing
     3. Financing
Class #8 Assignment:  E19-2, 3

   Work:  E19-2 and E19-3 (and find the following)
           1. Cash from Sales
           2. Cash Paid for Inventory
           3. Cash Paid for Wages
           4. Cash Paid for Rent

Class #9 Assignment:  E19-4, Choose one from P19-3, 4, 5

   Work: E19-4 (and find the following)
           1. Cash from Sales
           2. Cash paid for Inventory
           3. Cash Paid for Wages
           4. Cash Paid for Taxes
           5. Cash Paid for Insurance

   Problem Selected from Above

Classes #10 and 11  Module 8 Exam