Introductory Accounting Curriculum Committee

Minutes for Meeting on Monday, October 5, 1:00 p.m.

Present: Shirley Daniel, Liming Guan, Boochun Jung, Manu Kaiama, Myron Mitsuyasu, Hamid Pourjalali, Jenny Teruya and David Yang

The goal of the meeting was to determine whether coverage of ACC 200 and ACC 210 was appropriate.

We started by looking at the learning objectives for ACC 200 and ACC 210 that were currently being used. For the most part, committee members approved of the current coverage. A summary of the changes (mostly clarifying changes) is as follows:

ACC 200: Coverage of debits/credits and the preparation of journal entries was added as an optional learning objective. Because journal entries are covered again (and more extensively) in ACC 210, it was not viewed as required to be taught in ACC 200.

ACC 210:

* It was clarified that discussions of cash should also include cash equivalents
* Accounting for petty cash was added as an optional item as an example of internal controls
* The allowance method of accounting for bad debts should focus on the percentage of sales method
* Stock dividends should focus on accounting for small stock dividends
* Coverage of Stock splits, at least conceptually, was added.
* Evaluating how various transactions would affect basic ratios (ROA and Dupont Analysis was emphasized).

A brief discussion followed on whether EXCEL skills and/or data analytics should be covered in the two introductory accounting courses. It was determined that not enough was known about students’ background in EXCEL prior to taking ACC 200 so the matter was postponed to a later date.

The meeting was adjourned at 2:30 p.m.

Upon successful completion of ACC 200, students should be able to

Determine the effect a transaction has on the balance sheet and income statement

* Identify what account is affected by a transaction and whether it is increased or decreased
* Identify an account as an asset, liability, equity, revenue or expense

Understand how horizontal and vertical analysis are used to analyze performance

Determine the cost that is assigned to products under a job-order costing system

* Identify costs as direct materials, direct labor or manufacturing overhead
* Understand the flow of costs from Work-in Process to Finished Goods, to Cost of Goods Sold
* Identify appropriate cost drivers for Manufacturing Overhead
* Determine under- or over-applied overhead

Understand how activity-based costing differs from traditional methods

* Identify situations where activity-based costing is most useful

Identify a cost as fixed, variable or mixed

* Determine the fixed and variable elements of a mixed cost using the high-low method

Understand how cost-volume-profit analysis is used as a decision-making tool

* Determine the break-even point (in units and dollars) for a single product
* Determine the sales level needed to achieve target net profit

Understand the benefits of variable costing vs. absorption costing for decision making

Utilize differential analysis to support short-term decision-making

* Add/drop a product or department
* Accept/Reject a special order
* Make or buy
* Sell or process further
* Optimal use of limited resource to determine product mix
* Pricing

Understand the use of budgets for managerial planning and evaluation of performance

Understand how flexible budgets are used

Determine material, labor and overhead variances

Understand how the variances are used to evaluate performance

Understand responsibility accounting

* Understand how ROI and residual income are used to evaluate managers’ performance

|  |  |
| --- | --- |
| **Learning Objectives Acquired in Financial Accounting 201** | **Subjects Covered in Intermediate Accounting** |
|   |   |
| 1. Accounting importance | 1. Accounting need, history, organizations  |
| 2. GAAP |   |
| 3. Foundational assumptions and principles |   |
| 4. Role of IFRS - briefly | 2. Role and some application of IFRS |
| 5. Ethics in accounting | 3. Ethics cases in accounting |
| 6. All the details of accounting cycle | 4. Review accounting cycle plus additional adjusting entries |
| 7. Preparation of simple accounting financial statements | 5. Preparation of more complex financial statements |
| 8. Introduce the use of a worksheet (spreadsheet application) | 6. Continue learning worksheet capabilities |
| 9. Merchandising operatons | 7. Revenue recognition - 5 steps in detail |
| 10. Sales and Purchases under the perpetual system + jes | 8. Sales and purchases under the periodic systems + jes |
| 11. Merchandise inventory, Specific ID, FIFO, LIFO, Average - perp. | 9. Merchandise Inventory; using periodic method |
| 12. Internal controls and cash, No petty cash, yes bank recon |   |
| 13. Credit card sales |   |
| 14. Estimating bad debts allowance v. direct write off method | 10. allowance using both income stmt and bal sheet approach |
| 15. Notes receivable  |   |
| 16. PPE - acquisition, depreciation - straight-line, partial yr, est. changes | 11. Other depreciation methods introduced |
| 17. PPE - disposals | 12. PPE - trading |
| 18. Natural resources and intangibles - cost allocation |   |
| 19. Investments: debt and equity - bookkeeping |   |
| 20. Current Liabilities; light on payroll |   |
| 21. Estimated liabilities, contingent liabilities |   |
| 22. Long term liabilities, use of PV tables for bond payable calculation |   |
| 23. Journal entries for Bonds Payable |   |
| 24. Corporation characteristics |   |
| 25. Stock: par, no par, state, no stated, common and preferred |   |
| 26. Treasury stock; journal entries etc. |   |
| 27. Dividends - no stock splits |   |
| 28. Income statement - simple | 13. Income statement with discontinued operations EPS |
| 29. Statement of Cash flows using indirect method |   |
| 30. Data analytics |   |