Tech Prep
In Accounting Technology

A consortium of High School, Community College and University Departments

This document contains student competency requirements for the specialized area of:

Principles of Accounting I.
ACCT 201
5 Credits

In order to progress in the Accounting curriculum at Walla Walla Community College, or other post secondary institutions, students must complete the ACCT 201 Competency Profile with a high degree of knowledge and an ability to apply that knowledge.

To receive college credit, a student must demonstrate a minimum of 80% success in all competency areas and receive a local grade of A or B. The high school instructor is asked to initial each competency area that the student successfully completes. By initialing these competencies, the instructor is verifying the student has successfully completed the competency tasks required for college credit.


Revision date: January 2008
### ACCOUNTING PRINCIPLES / ACCT 201

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Student Name: ________________________________

High School: ________________________________

Student Identification Number: _______________ / Soc. Sec. # _______________________

__________________________

(high school instructor signature)

High school instructor signature verifies successful completion of required competencies and awarding of local high school grade of A or B:

Date: ____________________
Principles of Accounting / ACCT 201

Rating Scale for Performance Tasks:

4 - Highly Skilled
   Performs the task independently and with high proficiency
   Score of 90% or above

3 - Skilled
   Performs the task independently with adequate proficiency
   Score of 80% or above

2 - Limited Skills
   Needs improvement in independently and satisfactorily complete tasks
   Score of 70% or above

1 - Exposure
   Received instruction but has not developed skill
   Score of 60% or above

0 - No exposure
UNIT 1: Definition of Accounting Terminology

1.1 The student shall demonstrate an understanding of the accounting equation.

1.2 The student shall demonstrate an understanding of the vocabulary of accounting. At a minimum in a testing situation the students shall score no less than 90 percent accuracy. This ability may be demonstrated by a series of tests associate with topical studies and a comprehensive examination covering the vocabulary of the course. (Testing may be repeated.)

UNIT 2: T Account & Debit and Credit Rules

2.1 The student shall demonstrate an understanding of left and right side relationships of the T Account.

2.2 The student shall demonstrate an understanding of the T Account as applied to Balance Sheet Accounts.

2.3 The student shall demonstrate an understanding of the T Account as applied to Income Statement Accounts.

UNIT 3: Transaction Analysis

3.1 The student shall determine whether an asset, a liability, owner’s equity, revenue or expense account is impacted by a transaction.

3.2 For each account impacted by a transaction the student shall determine whether the account increases or decreases.

3.3 The student shall determine whether each increase or decrease should be recorded as a debit or a credit.

UNIT 4: Accounting Cycle

4.1 The student shall record and analyze transactions in a journal.

4.2 The student shall post transactions to a ledger.
4.3 The student shall prepare a trial balance, assemble adjustment data, and complete optional work sheets as required.

4.4 The student shall prepare financial statements.

4.5 The student shall Journalize post adjusting entries.

4.7 The student shall Journalize and post closing entries.

4.8 The student shall prepare post-closing trial balance.

4.9 The student shall demonstrate knowledge of adjusting entries associated with deferred expenses, deferred revenues, accrued expenses, accrued revenues and depreciation expenses.

4.10 The student shall demonstrate knowledge of closing entries.

UNIT 5: General Purpose Financial Statements

5.1 The student shall prepare and show understanding of the Income Statement.

5.2 The student shall prepare and show understanding of the Statement of Owner’s Equity.

5.3 The student shall prepare and show understanding of the Balance Sheet.

5.4 The student shall prepare and show understanding of the Statement of Cash Flows.

5.5 The student shall demonstrate an understanding of the interaction of the Income Statement and the Cash Flows Statement, including an understanding of lender’s interest in the Statement of Cash Flows.

UNIT 6: Systems Perspective in Analysis of Events and Transactions

6.1 The student shall demonstrate an understanding of the flow of information from actions that create data to the posting process to the completion of accounting statements. This understanding must be demonstrated in the form of an outline of the process or in the form of flow chart of the process.
UNIT 7 Inventory

7.1 The student shall demonstrate knowledge of FIFO.

7.2 The student shall demonstrate knowledge of LIFO.

7.3 The student shall demonstrate knowledge of Average Cost.

UNIT 8: Risk Management

8.1 The student shall perform and discuss for an entity a ratio analysis to include at a minimum Contribution Margin Ratio, Break Even Sales Point, Sales Units Margin, Margin of Safety and Operating Leverage Ratio.

8.2 The student shall perform and discuss a Variance Analysis to include at a minimum Direct Materials Price Variance, Direct Materials Quantity Variance, Direct Labor Time Variance, Variable Factory Overhead Controllable Variance and Fixed Factory Overhead Volume Analysis.

UNIT 9: Business Entity Analysis

9.1 The student shall perform a Rate of Return on Investment.

9.2 The student shall perform a Capital Investment Analysis using the Average Rate of Return Method (ignoring present values).

9.3 The student shall perform a Capital Investment Analysis using the Cash Payback method (ignoring present values).

9.4 The student shall perform a Capital Investment Analysis using the Net Present Value method.

9.5 The student shall perform a Capital Investment Analysis using the Internal Rate of Return method.

Documentation submission requirements:

1) Instructor competency verification form
2) Unit examinations to include instructor grade and evaluative comments
3) Final examination to include instructor grade and evaluative comments