Arizona CTE

Accounting & Related Services (2007)

Adopted 2007

Demonstrate Business and Financial Management Practices Needed for Entrepreneurs	1.1	Review a budget based on an accounting enterprise's business plan
	1.2	Review an income statement for an accounting enterprise
	1.3	Review a balance sheet for an accounting enterprise
	1.4	Interpret financial information for decision making and planning
	1.5	Monitor and adjust a business operation based on financial performance
	1.6	Compare foreign currencies and determine how business affects exchange rates
	1.7	Describe the impact of quality business communications on the success of an accounting organization
	1.8	Manage customer relations
	1.9	Review insurance needs for a business and its relationship to all aspects of the business
Demonstrate the Steps of the Accounting Cycle	2.1	Explain the purpose of the accounting cycle
	2.2	Define terminology related to the accounting cycle
	2.3	Demonstrate the fundamental accounting equation
	2.4	Classify items as assets, liabilities, or owner's equity
	2.5	Determine how owner's equity is affected by revenue, expense, and drawing accounts
	2.6	Practice the double-entry system of accounting
	2.7	Analyze the effect that business transactions have on the basic accounting equation using source documents
		Develop the process of journalizing business transactions

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	2.9 Explain the relationship of the journal to the ledger
	2.10 Post transactions from the journal to the ledger
	2.11 Prepare the trial balance including determining necessary adjustments
	2.12 Prepare financial statements
	2.13 Explain the purposes of the closing process
	2.14 Prepare a post-closing trial balance
Determine Payroll	3.1 Prepare payroll records using manual and computerized systems
	3.2 Calculate earnings for various methods of payment
	3.3 Compute deductions to determine net pay
	3.4 Calculate employer's payroll taxes
	3.5 Prepare federal, state, and local payroll reports
Generate Procedures for Cash Control	4.1 Define petty cash
	4.2 Complete check stubs or register and checks manually and using general ledger accounting software
	4.3 Enter appropriate data on a deposit slip
	4.4 Reconcile a bank statement
	4.5 Establish procedures for managing and reconciling petty cash manually and electronically
Determine Procedures for Accounts Receivable and Accounts Payable	5.1 Establish and maintain the accounts receivable subsidiary ledger
	5.2 Process sales orders and invoices
	5.3 Process customer payments
	5.4 Analyze accounts receivable using an aging schedule to determine doubtful accounts
	5.5 Establish and maintain the accounts payable subsidiary ledger
	5.6 Maintain vendor files
	Process invoices for payment

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	5.8 Process accounts payable checks
	5.9 Explain the relationship of subsidiary ledgers
Valuate Assets, Liabilities, and Owner's Equity	6.1 Define terminology related to assets and liabilities
	6.2 Explain the purposes of notes receivable
	6.3 Maintain inventory records
	6.4 Apply inventory costing procedures, such as FIFO, LIFO and weighted average
	6.5 Compute the cost basis of assets
	6.6 Calculate depreciations
	6.7 Identify procedures to protect assets from loss, waste, theft, forgery and embezzlement
	6.8 Determine current and long-term liabilities and assets
	6.9 Apply the revenue realization and matching principles to an income statement for service and merchandising businesses
	6.10 Determine cost of goods sold and gross profit for a merchandising and manufacturing businesses
Appraise Forms of Business Ownership	7.1 Ascertain the source and the importance of following the Generally Accepted Accounting Principles (GAAP)
	7.2 Differentiate between taxation at the personal and business level
	7.3 Explain the purpose of the capital and drawing accounts for a sole proprietorship and partnership
	7.4 Apply appropriate accounting techniques to account for investments and withdrawals by owners
	7.5 Explain the purpose of the following accounts: common stock, preferred stock, paid-in capital, retained earnings, and dividends for a corporation
	7.6 Identify the three basic types of business activities—operating, investing, and financing
	7.7 Identify not-for-profit and governmental organizations accounting requirements
As Pe Bu	Analyze the income statement and balance sheet of a business

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	8.2 Analyze current and long-term assets including their impact on the financial statements
	8.3 Analyze current and long-term liabilities including their impact on the financial statements
	8.4 Analyze the statement of cash flow and the effect on healthy performance
	8.5 Calculate merchandise inventory turnover ratios
	8.6 Determine the effect of changes in sales volume, unit costs and unit sales process on net income
Use Accounting Technology in Managing Financial Information	9.1 Using spreadsheet software, organize, calculate and complete an accounting financial statement
	9.2 Make projections using "what if" statements
	9.3 Use spreadsheet and/or accounting software to prepare charts and graphs useful in analyzing the financial condition of a business
Examine Ethical Standards in Accounting	10.1 Differentiate between ethical and legal issues
	10.2 Describe social responsibility in accounting
	10.3 Explain the importance of high ethical standards in the preparation of financial statements
Explore Economic Principles of Managerial Accounting and Related Services Professions	11.1 Define the five management functions: planning, organizing, directing, staffing, and controlling
	11.2 Define cost concepts and cost behavior
	11.3 Explain the role of accounting as utilized in support of the five management functions and related decision making
	11.4 Define the differences among service, merchandising and manufacturing businesses
Explore Accounting and Related Services Systems Theory and Practice	12.1 Demonstrate basic research techniques to organize accounting records and information
	12.2 Explain how work plans and budget information are used to allocate people and resources effectivel
	12.3 Explain how plans and budgets are revised to meet goals and objectives

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12.4 Investigate merchandise inventory accounting principles that relate to budgetary decisions