Colorado CTE

Accounting (2015): Grades 9, 10, 11, 12, Higher Education

Adopted 2015

Develop the knowledge, financial acumen, and competencies needed to make informed decisions in business and personal life. FIAC.01

01. **The Accounting Profession: Understand the role that accountants play in business and society.** FIAC.01.01
    a. Describe the current and historical regulatory environment of the accounting profession. FIAC.01.01.A
    b. Describe how current events impact the accounting profession. FIAC.01.01.B
    c. Explain the need for a code of ethics in accounting and the ethical responsibilities required of accountants. FIAC.01.01.C
    d. Explain how accounting information is used to allocate resources in the business and personal decision-making process. FIAC.01.01.D

02. **The Accounting Profession: Describe career opportunities in the accounting profession.** FIAC.01.02
    a. Identify student and professional accounting organizations and associations. FIAC.01.02.A
    b. Identify professional designations and certifications in the accounting profession. FIAC.01.02.B
    c. Describe the educational requirements for various careers, professional designations, and certifications in the accounting profession. FIAC.01.02.C
    d. Describe the skills and competencies needed to be successful in the accounting profession. FIAC.01.02.D
    e. Describe the areas of specialization within the accounting profession and careers that require knowledge of accounting. FIAC.01.02.E

03. **The Accounting Profession: Demonstrate the skills and competencies required to be successful in the accounting profession.** FIAC.01.03
    a. Perform research and communicate in writing the results of the research. FIAC.01.03.A
    b. Apply analytical and critical decision-making skills. FIAC.01.03.B
    c. Identify and use information technology productively. FIAC.01.03.C
    d. Demonstrate the ability to work within a team concept. FIAC.01.03.D

Skip to main content

04. **Financial Reports: Develop an understanding and working knowledge of an annual report and financial statements.** FIAC.01.04

   a. Identify the sections in an annual report and the purpose for each section. FIAC.01.04.A

   b. Describe the information provided in each financial statement and how the statements articulate with each other. FIAC.01.04.B

   c. Identify the classifications in an income statement and explain their relationship to each other (revenue, expense, gains, losses). FIAC.01.04.C

   d. Explain how and why the conceptual frameworks of accounting and generally accepted accounting principles provide guidance and structure for preparing financial statements. FIAC.01.04.D

   e. Identify and explain the business activities reported in a statement of cash flows (operating, inventing, financing). FIAC.01.04.E

   f. Define comprehensive income and describe its relationship to operating results. FIAC.01.04.F

05. **Financial Analysis: Assess the financial condition and operating results of a company and analyze and interpret financial statements and information to make informed business decisions.** FIAC.01.05

   a. Recognize the primary areas of analysis (trend analysis, profitability, liquidity, capital structure) and explain the information that can be obtained from each type of analysis. FIAC.01.05.A

   b. Perform a horizontal and vertical analysis of the income statement and balance sheet. FIAC.01.05.B

   c. Compare and contrast debt and equity financing and explain the impact on the financial statements. FIAC.01.05.C

   d. Use the statement of cash flow to analyze business activities (operating, investing, financing). FIAC.01.05.D

   e. Analyze cash flow from operating activities to assess profitability and liquidity. FIAC.01.05.E

06. **Accounting Principles: Identify and describe generally accepted accounting principles (GAAP), explain how the application of GAAP impacts the recording of financial transactions, and the preparation of financial statements.** FIAC.01.06

   a. Describe and explain the conceptual framework of accounting and generally accepted accounting principles and assumptions. FIAC.01.06.A

   b. Assets: 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. FIAC.01.06.B

   c. Liabilities: Determine the initial valuation of long-term debt instruments and their impact on the financial statements. FIAC.01.06.C

Skip to main content

d. Equity: Explain how operating results, capital contributions, and distribution of earnings affect equity for the various types of ownership structures. FIAC.01.06.D

e. Revenue: Describe the criteria used to determine revenue recognition and record revenue related transactions. FIAC.01.06.E

f. Expense: Describe the criteria used to determine expense recognition and record expense-related transactions. FIAC.01.06.F

g. Gains and Losses: Distinguish between revenue and gains between expenses and losses and record transactions resulting in gains and losses. FIAC.01.06.G

---

07. Accounting Process: Complete the steps in the accounting cycle in order to prepare the financial statements. FIAC.01.07

a. Identify and explain the advantages and disadvantages of different types of accounting systems. FIAC.01.07.A

b. Apply the double-entry system of accounting to record business transactions and prepare a trial balance. FIAC.01.07.B

c. Prepare the financial statements for the different types of business operations and ownership structures. FIAC.01.07.C

d. Describe the relationship between the closing process, the financial statements, and the post-closing trial balance. FIAC.01.07.D

---

08. Interpretation and Use of Data: Use planning and control principles to evaluate the performance of an organization and apply differential analysis and present-value concepts to make decisions. FIAC.01.08

a. Explain and compare the behavior of fixed, variable, and mixed costs. FIAC.01.08.A

b. Apply cost-volume-profit and contribution margin analyses in planning operations. FIAC.01.08.B

c. Apply responsibility accounting concepts to evaluate cost, profit, and investment centers. FIAC.01.08.C

d. Apply differential analysis to make the following types of decisions: make or buy a product; lease or buy an asset; discontinue a department, plant or product; offer discount prices on special orders; replace or repair equipment. FIAC.01.08.D

---

09. Compliance, Personal Finance: Develop a working knowledge of individual income tax procedures and requirements to comply with tax laws and regulations. FIAC.01.09

a. Describe the history and purpose of tax law in the United States and the process by which tax laws are created. FIAC.01.09.A

b. Complete the applicable individual income tax forms. FIAC.01.09.B

c. Identify, discuss, and apply strategies for minimizing taxable income. FIAC.01.09.C

Skip to main content

10. **Compliance, Financial Reporting: Distinguish between generally accepted accounting principles and income tax law.** FIAC.01.10

    a. Explain why income for financial reporting and taxable income are calculated differently. FIAC.01.10.A

    b. Identify permanent and temporary difference in net income and taxable income. FIAC.01.10.B

    c. Calculate permanent and temporary differences in net income and taxable income. FIAC.01.10.C

11. **Compliance, Payroll: Apply appropriate accounting practices to payroll.** FIAC.01.11

    a. Calculate net pay. FIAC.01.11.A

    b. Calculate employer's payroll taxes. FIAC.01.11.B

    c. Prepare payroll reports. FIAC.01.11.C