

**District Overview:**

The overarching goal of the business department is to prepare students for the many places of their personal and professional lives. A basic understanding of the language of business and technology can drastically improve understandings and decision making for life choices. In the curriculum, students will not only be exposed to basic business concepts, but also the skills of presentation, critical thinking, teamwork, creativity, and other skills in high demand. The department will provide a myriad of experiential learning through interactions with experts in the field, location visits, simulations, industry certifications, and real-world problems taken from the business community. By infusing our curriculum with these real-world experiences, we can provide meaningful learning experiences that allow students to take ownership in their learning.

**Accounting III Description:**

Successful manufacturing businesses keep a close watch on costs and payroll while merchandising businesses keep a close watch on revenue and payroll. Accounting III will provide the tools needed to monitor those costs along with preparing tax returns.

**Units:**

- Unit 1: Payroll Accounting
- Unit 2: Advanced Accounting
- Unit 3: Tax Accounting
- Unit 4: Cost Accounting



<b>Subject:</b> Accounting III	<b>Grade:</b> 12	<b>Suggested Timeline:</b> 11 weeks
<b>Unit Title:</b> Payroll Accounting		
<b>Unit Overview/Essential Understanding:</b> Labor costs often represent the largest company expenditure as well as the most complex. Students will describe laws that must be followed for payroll deductions and reporting. They will demonstrate their understanding of payroll calculations and payroll forms. Explanations will prove their understanding on the payroll liability for employers. They will learn how to journalize payroll transactions.		
<b>Essential Questions:</b> <ul style="list-style-type: none"><li>• What are the laws that influence payroll deductions and reporting?</li><li>• What are the different work schedules?</li><li>• How are wages calculated?</li><li>• What is a taxable wage base?</li><li>• What are the different methods of withholding taxes?</li><li>• What forms are related to payroll?</li><li>• What taxes are employers responsible to pay?</li><li>• How are payroll entries journalized?</li></ul>		
<b>Unit Objectives:</b> Students will be able to: <ul style="list-style-type: none"><li>• Define accounting terms related to payroll accounting</li><li>• Identify accounting concepts and practices related to payroll law</li><li>• Classify the different accounts related to payroll for both employee and employer</li><li>• Analyze how transactions related to recording employee payroll and employer payroll taxes</li><li>• Prepare payroll register and employee earnings record</li></ul>		
<b>Focus Standards Addressed in this Unit:</b> <ul style="list-style-type: none"><li>• 15.1.12.D - Analyze, journalize, and post transactions to general and subsidiary ledgers</li></ul>		

- 15.1.12.E - Perform accounting functions using technology as a tool
- 15.1.12.L - Describe and explain the criteria used to determine expenses and journalize the expense transactions
- 15.1.12.M - Analyze and calculate gross pay and net pay, including regular and overtime wages, commission, and piece rate
- 15.1.12.Y - Determine and calculate taxable income and tax liability for both personal and business taxes

**Important Standards Addressed in this Unit:**

- NBEA - Accounting - Compliance C - Apply appropriate accounting practices to payroll

**Misconceptions:**

- Students may have a hard time understanding the different laws enforced when reporting payroll.

**Concepts/Content:**

- Federal Wage and Labor Law
- Exempt vs. Non-Exempt
- Worker's Compensation
- Minimum Wage
- Civil Rights Act of 1964
- Age Discrimination Act of 1967
- Equal Pay Act of 1963
- Family and Medical Leave Act of 1993 (FMLA)
- Health Insurance Portability and Accountability Act of 1996 (HIPPA)
- Defense of Marriage Act of 1996
- Federal Insurance Contributions Act (FICA)
- Unemployment Taxes
- Federal Unemployment Tax Act (FUTA)

**Competencies/Skills:**

- State the laws influencing payroll regulations
- Identify the different work schedules in the workplace
- Calculate wages
- Calculate payroll taxes
- Complete a payroll register and an employee earnings record
- Identify accounting concepts and practices related to payroll accounting, taxes, and reports
- Analyze payroll transactions and journalize payroll
- Record employer payroll taxes
- Prepare payroll reports
- Explain when payroll forms are reported

**Description of Activities:**

- Teacher guided instruction for vocabulary and proper way to calculate payroll.
- Exercises and activities that include completing a payroll register, employee earnings record, and journalizing payroll.
- Class discussions on the laws that apply to payroll.

<ul style="list-style-type: none"> <li>• State Unemployment Tax Act (SUTA)</li> <li>• Employee Retirement Income Security Act</li> <li>• Vesting</li> <li>• Child Labor Laws</li> <li>• Pay Rates and Pay Cycles</li> <li>• Compensatory Time and On-Call Time</li> <li>• Pre-Tax and Post-Tax Deductions</li> <li>• Payment Methods</li> </ul>	<ul style="list-style-type: none"> <li>• Pay and record withholding and payroll taxes</li> </ul>	
<p><b>Assessments:</b></p> <ul style="list-style-type: none"> <li>• Formative and summative assessments to assess understanding</li> <li>• Assessments may include practical worksheet assignments and tests</li> </ul>		
<p><b>Interdisciplinary Connections:</b></p> <ul style="list-style-type: none"> <li>• Math connections in the knowledge of calculating percentages, tax rates, and employee’s net pay</li> </ul>	<p><b>Additional Resources:</b></p> <ul style="list-style-type: none"> <li>• District approved materials</li> <li>• Teacher created resources</li> <li>• District approved online resources</li> </ul>	



<b>Subject:</b> Accounting III	<b>Grade:</b> 12	<b>Suggested Timeline:</b> 5 weeks
<b>Unit Title:</b> Advanced Accounting		
<b>Unit Overview/Essential Understanding:</b> Students will describe how accounting can be used to make informed decisions on how to value merchandise available for sale and how it affects financial statements. They will learn and discuss warranties, service contract, and gift cards. Explanations will prove their understanding on the three different ways to take plant assets off the company's books.		
<b>Essential Questions:</b> <ul style="list-style-type: none"><li>• How are long term assets are recorded when disposed, traded, or sold?</li><li>• What methods are used to calculate long term assets valuation?</li><li>• How is merchandise valued?</li><li>• How does inventory valuation affect financial statements?</li><li>• What is unearned revenue?</li><li>• How is unearned revenue journalized?</li></ul>		
<b>Unit Objectives:</b> Students will be able to: <ul style="list-style-type: none"><li>• Define accounting terms related to the decrease in plant assets, unearned revenues, and inventory valuation</li><li>• Identify accounting concepts and practices related to planning for inventory valuation</li><li>• Classify accounts related to warranties, service contracts, gift cards, plant assets, and inventory</li><li>• Analyze how transactions related to unearned revenue and decrease in plant assets are journalized</li><li>• Prepare inventory valuation worksheets</li></ul>		
<b>Focus Standards Addressed in this Unit:</b> <ul style="list-style-type: none"><li>• 15.1.12.E - Perform accounting functions using technology as a tool</li><li>• 15.1.12.G - Analyze and journalize transactions involving short- and long-term liabilities</li><li>• 15.1.12.H - Identify, calculate, and record depreciation, depletion, and amortization; explain their effect on the financial statements</li></ul>		

- 15.1.12.J - Analyze the various methods for maintaining and valuing inventory (FIFO, LIFO, etc.) and describe their effect on financial statements

**Important Standards Addressed in this Unit:**

- NBEA - Accounting - Accounting Principles - A - G - Identify and describe generally accepted accounting principles (GAAP), explain how the application of GAAP impacts the recording

**Misconceptions:**

- Students may have a hard time understanding calculating the different inventory methods used for merchandise valuation.

**Concepts/Content:**

- Gain on the Sale of an Asset
- Loss on the Sale of an Asset
- Gift Cards
- Breakage Revenue
- FIFO, LIFO, Average Cost
- Warranties vs. Service Contracts
- Premiums

**Competencies/Skills:**

- Identify accounting concepts and practices related to planning and costing inventory
- Determine cost of merchandise inventory
- Identify accounting concepts and practices related to accounting for plant assets' depreciation
- Journalize the selling, trading, and disposing of plant assets
- Calculate depreciation of long-term assets
- Journalize long term liabilities

**Description of Activities:**

- Teacher guided instruction for vocabulary and proper way to record unearned revenue, inventory valuation, and the disposal, sale, and trade-in of a plant asset.
- Exercises and activities that include recording transactions on unearned revenue, inventory, and plant assets.
- Class discussions on the different methods of inventory and the effect on the financial statement.

**Assessments:**

- Formative and summative assessments to assess understanding
- Assessments may include practical worksheet assignments and tests

**Interdisciplinary Connections:**

- Math connections in the knowledge of calculating percentages, and gains and losses

**Additional Resources:**

- District approved materials
- Teacher created resources
- District approved online resources



<b>Subject:</b> Accounting III	<b>Grade:</b> 12	<b>Suggested Timeline:</b> 7 weeks
<b>Unit Title:</b> Tax Accounting		
<b>Unit Overview/Essential Understanding:</b> Students will describe how personal exemptions affect tax returns and withholding amounts. They will learn and discuss taxable wages and filing status. Explanation and demonstration will prove their understanding on reporting tax forms, such as a W-4, 1040, and supporting forms.		
<b>Essential Questions:</b> <ul style="list-style-type: none"><li>• What are personal exemptions?</li><li>• What income is included and excluded as taxable wages?</li><li>• What is filing status?</li><li>• What is a W-2?</li><li>• What deductions are allowed?</li><li>• Should a 1040 be filed or is an extension possible?</li></ul>		
<b>Unit Objectives:</b> Students will be able to: <ul style="list-style-type: none"><li>• Define accounting terms related to preparing personal tax returns</li><li>• Identify accounting concepts and practices related personal income tax returns</li><li>• Identify forms related to personal income taxes.</li><li>• Prepare personal tax returns</li></ul>		
<b>Focus Standards Addressed in this Unit:</b> <ul style="list-style-type: none"><li>• 15.1.12.E - Perform accounting functions using technology as a tool</li><li>• 15.1.12.Y - Determine and calculate taxable income and tax liability for both personal and business taxes</li><li>• 15.6.12.E - Assess the purpose, source, and impact of various taxes</li></ul>		

**Important Standards Addressed in this Unit:**

- NBEA - Accounting - Financial Reports - Develop an understanding and working knowledge of an annual report and financial statements
- NBEA - Accounting - Compliance A - C - Apply appropriate accounting practices to payroll

**Misconceptions:**

- Students may have a hard time understanding the ever-changing tax laws.

**Concepts/Content:**

- Married Filing Jointly
- Married Filing Separately
- Head of Household
- Qualifying Widow(er) with Dependent Child
- Gross Wages
- Taxable Wages
- Itemized Deductions
- Standard Deductions
- Tax Identification Numbers
- W-4, W-2, I-9, 1099 INT, W2-G, 1010

**Competencies/Skills:**

- Calculate personal exemptions
- Calculate income inclusions
- Determine the appropriate filing status
- Complete W-2
- Calculate allowable deductions
- Complete 1099- INT
- Complete Form 4868
- Complete Form W-2G
- Complete a 1040

**Description of Activities:**

- Teacher guided instruction for vocabulary and proper way to complete tax forms.
- Exercises and activities that include recording completing a W-4, Form 1099-INT, Form 4868, Form W-2G, and 1040.
- Class discussions on the tax laws and deadlines.

**Assessments:**

- Formative and summative assessments to assess understanding
- Assessments may include practical worksheet assignments and tests

**Interdisciplinary Connections:**

- Math connections in the knowledge of calculating percentages

**Additional Resources:**

- District approved materials
- Teacher created resources
- District approved online resources



<b>Subject:</b> Accounting III	<b>Grade:</b> 12	<b>Suggested Timeline:</b> 13 weeks
<b>Unit Title:</b> Cost Accounting		
<b>Unit Overview/Essential Understanding:</b> In a merchandising business labor costs often represent the largest company expenditure but in a manufacturing business, the largest costs are materials, labor, and overhead to make the final product. Students will describe how accounting for a manufacturing business is different from a merchandising business. They will learn and discuss material costs, overhead costs, and labor costs. Students will prove their understanding on how to calculate overhead rates and prepare the financial statements for a manufacturing entity.  <b>Essential Questions:</b> <ul style="list-style-type: none"><li>• What is cost accounting?</li><li>• What is Manufacturing Overhead?</li><li>• How are cost operations recorded?</li><li>• What are the three inventory costing methods and how do you calculate them?</li><li>• Why is manufacturing overhead applied to jobs as work completed?</li><li>• How do you prorate service department costs?</li><li>• What are the formulas to calculate overhead rates?</li><li>• What is over applied and under applied manufacturing overhead?</li><li>• How is over applied or under applied overhead presented on the Income Statement and Balance Sheet?</li></ul>		
<b>Unit Objectives:</b> Students will be able to: <ul style="list-style-type: none"><li>• Define accounting terms related to cost accounting for a manufacturing business</li><li>• Identify accounting concepts and practices related to a manufacturing plant</li><li>• Classify accounts used to determine prime and conversion costs</li><li>• Analyze how transactions are related to overhead and to close them into over applied or under applied</li><li>• Prepare a prorating worksheet, balance sheet and schedules relating to cost accounting</li></ul>		

**Focus Standards Addressed in this Unit:**

- 15.1.12.D - Analyze, journalize, and post transactions to general and subsidiary ledgers
- 15.1.12.E - Perform accounting functions using technology as a tool
- 15.1.12.F - Analyze and journalize transactions for short- and long-term assets
- 15.1.12.J - Analyze the various methods for maintaining and valuing inventory (FIFO, LIFO, etc.) and describe their effect on financial statements
- 15.1.12.M - Analyze and calculate gross pay and net pay, including regular and overtime wages, commission, and piece rate
- 15.1.12.N - Explain how the different forms of business ownership and business operations are reported on financial statements

**Important Standards Addressed in this Unit:**

- NBEA - Accounting - Accounting Principles - A - G - Identify and describe generally accepted accounting principles (GAAP), explain how the application of GAAP impacts the recording
- NBEA - Accounting - Interpretation and Use of Data A - B - Use planning and control principles to evaluate the performance of an organization and apply differential analysis and present-value concepts to make decisions

**Misconceptions:**

- Students may have a hard time understanding the differences between a manufacturing entity's financial statements and a merchandising businesses' financial statements.

**Concepts/Content:**

- Direct Labor
- Direct Materials
- Manufacturing Overhead
- Indirect Labor
- Indirect Materials
- Prime Costs
- Conversion Costs
- Raw Materials Inventory
- Work in Process Inventory
- Finished Goods Inventory

**Competencies/Skills:**

- Record manufacturing costs
- Prepare schedules to verify balances
- Prepare inventory on the balance sheet
- Journalize inventory at lower of cost or market
- Journalize weekly and semimonthly payroll
- Record manufacturing overhead costs

**Description of Activities:**

- Teacher guided instruction for vocabulary and proper way to record manufacturing costs to determine profit.
- Exercises and activities that include recording transactions effecting manufacturing cost.
- Class discussions on importance of cost recording for manufacturing plants and the process involved.

<ul style="list-style-type: none"> <li>• Lead Time</li> <li>• Safety Stock</li> <li>• Purchase Requisition</li> <li>• Purchase Order</li> <li>• Bill of Materials</li> <li>• Job Cost Sheet</li> <li>• Lower of Cost or Market</li> <li>• Analysis of Time Tickets</li> <li>• Voucher Register</li> </ul>	<ul style="list-style-type: none"> <li>• Choose the right allocation basis</li> <li>• Complete monthly departmental overhead analysis sheets</li> <li>• Prorate service department costs</li> <li>• Calculate departmental overhead rates</li> <li>• Apply manufacturing overhead</li> <li>• Prepare prorating worksheets</li> <li>• Complete a job cost sheet</li> <li>• Record applied manufacturing overhead and to close it into over applied or under applied</li> <li>• Prepare how over applied and under applied overhead are presented on the income statement and balance sheet</li> </ul>	
<p><b>Assessments:</b></p> <ul style="list-style-type: none"> <li>• Formative and summative assessments to assess understanding</li> <li>• Assessments may include practical worksheet assignments and tests</li> </ul>		
<p><b>Interdisciplinary Connections:</b></p> <ul style="list-style-type: none"> <li>• Math connections in the knowledge of performing calculations using the basic math functions</li> </ul>	<p><b>Additional Resources:</b></p> <ul style="list-style-type: none"> <li>• District approved materials</li> <li>• Teacher created resources</li> <li>• District approved online resources</li> </ul>	