

Appendix L

FINANCE YOUTH APPRENTICESHIP

ACCOUNTING SERVICES ADVANCED (UNIT 4)

Unit 4: Accounting Services Advanced

Competency

1. Process customer invoices and receipts

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom

Performance Standard Criteria

Performance will be successful when learner:

- Select appropriate forms/records
- Analyze source document (e.g., Sales slips, billing sheet, job order, freight and postage documentation, etc.)
- Verify and document any invoice freight, discounts, or adjustments
- Verify and document any returns, allowances, sales tax
- Prepare customer invoice from source documents
- Verify and calculate unpaid items
- Enter sales order transactions
- Enter sales invoice transactions
- Enter cash receipt transactions
- Journalize and post transactions
- Mail customer invoice if applicable
- File source documents in appropriate location
- Journal Entries use correct accounts and amounts

Learning Objectives

- Explain the function of the different accounts used for receipts
- Describe the fees and accounts that cover the cost of business (overhead)
- Analyze the effects on accounts by the sale of merchandise such as sale on account, cash discounts, computing sales tax
- Explain how credit and bankcard sales are managed in receipt accounts
- Explain the direct write-off method
- Explain allowance for uncollectable amounts method
- Explain notes receivable
- Describe the process for managing sales tax receipt and payment to the state
- List types of taxes required of businesses
- Explain the internal controls for cash payments and other receivables

Comments:

Unit 4: Accounting Services Advanced

Competency

2. Allocate receipt for invoices

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom

Performance Standard Criteria

Performance will be successful when learner:

- Select appropriate forms/records
- Match documentation of receipt with appropriate invoice(s)
- Mark invoice(s) as paid
- Journalize and post
- File forms/records in appropriate location

Learning Objectives

- Describe the purpose of an invoice
- List other names for an invoice
- Explain how to handle invoices from new vendors/clients
- Discuss the process if invoices continue to remain unpaid

Comments:

Unit 4: Accounting Services Advanced

Competency

3. Process receiving document

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom

Performance Standard Criteria

Performance will be successful when learner:

- Select appropriate forms/records
- Review actual purchase order to invoice
- Compare deliveries to purchase order
- Identify and document discounts or discrepancies
- Enter purchase order transactions
- Enter invoice transactions
- Enter cash disbursement transactions
- Journalize and post transaction
- File forms/records in appropriate location
- Journal Entries use correct accounts and amounts

Learning Objectives

- Describe the accounts used in the purchasing process
- Analyze the effects on accounts by purchase of merchandise such as inventory, purchase accounts
- Explain the internal controls for cash payments

Comments:

Unit 4: Accounting Services Advanced

Competency

4. Process credit memorandum

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom

Performance Standard Criteria

Performance will be successful when learner:

- Select appropriate forms/records
- Analyze source document for adjustment
- Prepare a credit memo to reflect reasons for reductions to accounts (e.g., price changes, discounts, damaged goods, back orders, shortages, etc.)
- Journalize and post credit memo
- Mail credit memo and related documentation to vendors
- File forms/records in appropriate location

Learning Objectives

- Describe the situations in which your company issues credit
- List who in your company can authorize credit
- Explain how credit adjustments are reviewed periodically for trends or issues with merchandise
- Analyze contra accounting and types of accounts used
- Describe how contra accounting impacts net revenue

Comments:

Unit 4: Accounting Services Advanced

Competency

5. Assist to process payment authorization

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

Performance will be successful when learner:

- Select appropriate forms/records
- Analyze billing document
- Compare billing document with original source documents
- Verify and document any billing adjustments
- Record data regarding coding, account distribution, etc. on payment authorization
- Obtain appropriate approvals
- Forward payment authorization for check issuance
- File forms/records in appropriate location
- Process checks
- Journalize and post entries

Learning Objectives

- Describe how cash discounts are recorded
- Explain the allowances accounting process for returned or damaged merchandise
- Discuss how charges such as shipping are handled

Comments:

Unit 4: Accounting Services Advanced

Competency

6. Calculate employee work hours

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom

Performance Standard Criteria

Performance will be successful when learner:

- Account for all time records
- Calculate employee work hours
- Calculate employee overtime hours
- Calculate employee benefit hours
- Total hours employee worked per pay period
- Select appropriate forms
- File form(s) in appropriate location

Learning Objectives

- Differentiate between an employee and an independent contractor
- Define and compare gross pay and net pay
- List the various types of payroll deductions and withholdings such as Federal & State income tax, FICA tax, self-employment tax, etc.
- Compare the functions of payroll records such as W2, W4, I9 forms
- Identify W4 form information and what it is used for
- Describe how to calculate employee earnings for hourly & salaried time, overtime, commissions, bonuses, tips, piece rate production, earned income credit, etc.
- Explain how to journalize payroll entries
- List types of taxes required of businesses
- Describe how to calculate payroll taxes such as FICA, FUTA, SUTA, Worker's Compensation, and Employer Payroll
- Explain how to calculate employer and employee portion of taxes
- Describe the use of electronic payroll systems for direct deposit, paying federal tax, etc.
- Explain how to complete the payroll register including wages & deductions
- Explain how to prepare a payroll check
- Explain how to prepare payroll tax reports
- Describe internal controls related to payroll

Comments:

Unit 4: Accounting Services Advanced

Competency

7. Assist with company tax reporting

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

Performance will be successful when learner:

- Determine appropriate tax year for the reporting entity
- Gather appropriate documents and data
- Choose appropriate accounting method for the reporting entity
- Prepare the tax return for the reporting entity according to requirements
- Tax Return is correctly calculated and prepared

Learning Objectives

- Define taxable income versus liability
- Contrast calendar year versus fiscal year reporting periods
- Explain constraints on fiscal year reporting
- Describe the process for changing tax years
- Compare accrual, cash, and hybrid accounting methods
- Explain the process of changing accounting methods
- Identify tax rules for business property
- Identify which business assets are subject to personal property tax
- Define a C corporation
- Define a S corporation
- Explain limitations on S corporation losses
- Define a partnership/limited liability company
- Explain limitations on partnership losses
- Explain the breakdown of corporate distributions
- Explain what products and services are subject to sales and/or use tax
- Describe various types of tax exempt organizations
- Describe the tax reporting requirements for tax exempt organizations
- Explain how returns are chosen for an IRS audit
- Describe the various types of IRS audits
- List the various types of IRS assessed penalties and interest

Comments:

Unit 4: Accounting Services Advanced

Competency

8. Record inventory usage

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom

Performance Standard Criteria

Performance will be successful when learner:

- Locate appropriate forms/records
- Calculate inventory usage
- Record inventory disbursements
- Post inventory usage to proper job or activity
- Journalize and post usage of inventory to inventory ledger and general ledger
- File forms/records in appropriate location
- Inventory Balances are calculated correctly by the particular method used

Learning Objectives

- Describe the different types of inventory (e.g., periodic, perpetual, physical)
- Describe how a company's "bottom line" is impacted by inventory costing method used
- Calculate the tax effects of various inventory methods
- Compare tax advantages associated with these methods
- Explain how values are assigned to merchandise inventory using lower-of-cost-or-market rule
- Define accounting principles of consistency and conservatism for inventory

Comments:

Unit 4: Accounting Services Advanced

Competency

9. Record inventory receipts

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom

Performance Standard Criteria

Performance will be successful when learner:

- Locate appropriate forms/records
- Record receipt into inventory system
- Record variances to purchase orders
- Journalize and post accrual of inventory
- File forms/records in appropriate location

Learning Objectives

- Explain the function and maintenance requirements of a merchandise inventory
- Discuss the importance of maintaining accurate inventory records

Comments:

Unit 4: Accounting Services Advanced

Competency

10. Assist to physically inventory merchandise or materials

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

Performance will be successful when learner:

- Locate appropriate forms/records
- Arrange for assistance in taking physical inventory
- Schedule inventory during non-peak period
- Assist with actual count of inventory
- Compare actual count versus accounting inventory
- Verify accuracy of inventory with a recount if necessary
- File forms/records in appropriate location

Learning Objectives

- Explain the purpose and importance of conducting physical inventory
- Describe methods used to ensure accurate counts
- List the information that should be contained in inventory records

Comments:

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Competency

11. Assist to process results of inventory

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

Performance will be successful when learner:

- Compare/report physical inventory with accounting inventory
- Select appropriate forms/records (e.g., inventory results, prior reports, etc.)
- Identify major areas of inventory with discrepancies from inventory to actual count
- Note total change in inventory
- Identify any items of concern with regard to inventory such as condition, record keeping, storage, damage, etc.
- Prepare cover letter explaining inventory
- Distribute to appropriate parties the results of physical count and recommendations
- File forms/records in appropriate location

Learning Objectives

- List possible reasons for physical versus accounting inventory offages
- Describe methods to investigating offages

Comments:

Unit 4: Accounting Services Advanced

Competency

12. Process inventory adjustments

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom

Performance Standard Criteria

Performance will be successful when learner:

- Select appropriate forms/records
- Prepare adjusting entries
- Journalize and post entries to appropriate ledgers
- File forms/records in appropriate location

Learning Objectives

- Identify who in the organization has authority to approve inventory adjustments
- Explain how inventory adjustments are reviewed periodically for trends or issues with merchandise or inventory processing

Comments:

Unit 4: Accounting Services Advanced

Competency

13. Assist to cost account a new or revised product or service

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

Performance will be successful when learner:

- Calculate production costs
- Calculate fixed, variable and mixed costs
- Determine direct and indirect material and labor costs
- Determine overhead
- Analyze production flow
- Apply costing procedure
- Determine standard cost
- Standard Costs for direct material, direct labor, and overhead are correct

Learning Objectives

- Define cost accounting
- Compare and contrast cost accounting, financial accounting, and managerial accounting
- Describe the role of cost accounting in financial and managerial accounting
- Explain how to determine the cost of merchandise sold
- List the elements that must be considered when cost accounting a service or product
- Explain different costing methods
- Compare direct and indirect costs
- Define direct material, labor, and overhead costs
- Define fixed, variable, and mixed costs
- Define prime costs
- Define conversion costs
- Define service, support and production departments used to determine overhead
- Compare and contrast activity-based costing, job order costing, and process costing
- Explain how to analyze production flow using source documents, physical flow of materials and labor, flow of costs through accounts, and schedule of inventories to determine cost of goods sold

Comments:

Unit 4: Accounting Services Advanced

Competency

14. Assist to audit monthly procedures

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

Performance will be successful when learner:

- Select appropriate forms/records
- Review monthly audit procedures for billing, payroll, petty cash, reconciliation, capital assets, inventory, ledgers, etc.
- Assist worksite professional to perform audit
- Compare budget figures to actual costs
- Prepare a written report indicating results of each audit to include best practices as well as failures
- Distribute audit report as appropriate
- Follow up on any discrepancies in monthly procedure
- File forms/records in appropriate location

Learning Objectives

- Explain the purpose of periodic internal audits
- List the features of the internal controls used at your facility
- Describe how an internal audit compares to an external audit
- Explain how the results of an internal audit are evaluated and processed
- Describe common findings in external audits

Comments:

Unit 4: Accounting Services Advanced

Competency

15. Assist to process budget reports

Performance Standard Condition

Competence will be demonstrated

- at the worksite and classroom
- while working with a worksite professional

Performance Standard Criteria

Performance will be successful when learner:

- Select appropriate forms/records
- Identify budget detail needed
- Gather budget detail
- Enter budget data
- Verify accuracy of entries
- Total budget data
- Submit budget detail to appropriate parties for approval, if necessary
- Make necessary budget adjustments as directed
- File forms/records in appropriate location

Learning Objectives

- Explain the importance of the planning and budgeting process
- Identify institutional assets, liabilities, expenses, and revenues
- Analyze past and current budgets for revenues, expenditures, trends, abnormalities, and priorities to determine future needs
- Compare previous budgets to actual results to explain variances
- Explain the corporate income statement, retained earnings statement, and balance sheet
- Identify the accounts related to the corporate income statement, retained earnings statement, and balance sheet
- Explain the statement of cash flows
- Compare direct and indirect statements of cash flows

Comments: