

ITT Technical Institute  
**AC1220**  
**Accounting Principles I**  
**Onsite and Online Course**

**SYLLABUS**

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**Credit hours:** 4.5


**Contact/Instructional hours:** 56 (34 Theory Hours, 22 Lab Hours)

**Prerequisite(s) and/or Corequisite(s):**

GS1140 Problem Solving Theory or equivalent

**Course Description:**

This course involves accounting principles and presents accounting standards, inventory methods, depreciation, and financial components that comprise the income statement, balance sheet and statement of cash flows. Students will perform accounting exercises to solve business problems.



## COURSE SUMMARY

### COURSE DESCRIPTION

This course involves accounting principles and presents accounting standards, inventory methods, depreciation, and financial components that comprise the income statement, balance sheet and statement of cash flows. Students will perform accounting exercises to solve business problems.

### MAJOR INSTRUCTIONAL AREAS

1. Fundamental principles of accounting as per the APB (Accounting Principles Board)
2. Accounting concepts and the basic accounting equation
3. Accounting cycles and procedures
4. Journals and accounting methods
5. Ethical issues in accounting

### COURSE LEARNING OBJECTIVES

By the end of this course, you should be able to:

1. Summarize the accounting concepts and principles that business organizations must follow.
2. Recognize the organizations that govern the accounting profession.
3. Use common accounts, journals, and ledgers to record transactions.
4. Complete the process to record a transaction, including preparing journal entries and a trial balance.
5. Discuss the differences between accrual and cash-basis accounting.
6. Prepare financial statements, including an income statement, a statement of owner's equity, and a balance sheet, using the adjusted trial balance.
7. Complete the accounting cycle by preparing closing entries, a post-closing trial balance, and financial statements.

## COURSE OUTLINE

### MODULE 1: ACCOUNTING AND BUSINESS ENVIRONMENT

#### COURSE LEARNING OBJECTIVES COVERED

- Summarize the accounting concepts and principles that business organizations must follow.
- Use common accounts, journals, and ledgers to record transactions.

#### TOPICS COVERED

- Accounting Organizations
- Entity Concept
- Accounting Equation

MODULE LEARNING ACTIVITIES	GRADED	OUT-OF-CLASS TIME
<b>Reading:</b> Miller-Nobles, Mattison, & Matsumura, Chapter 1.	No	3.5 hr
<b>Lesson:</b> Study the lesson for this module.	No	1.5 hr
<b>Discussion:</b> Participate in the discussion titled “Ethical Dilemma.”	Yes	N/A
<b>Lab:</b> Complete the lab titled “Accounting: The Business Environment.”	Yes	N/A
<b>Quiz:</b> Prepare for Quiz 1.	No	2 hr

Total Out-Of-Class Activities: 7 Hours

## MODULE 2: RECORDING TRANSACTIONS

### COURSE LEARNING OBJECTIVES COVERED

- Summarize the accounting concepts and principles that business organizations must follow.
- Use common accounts, journals, and ledgers to record transactions.
- Complete the process to record a transaction, including preparing journal entries and a trial balance.

### TOPICS COVERED

- Double-Entry Accounts
- Recording Transactions
- Trial Balance
- Debt Ratio

MODULE LEARNING ACTIVITIES	GRADED	OUT-OF-CLASS TIME
<b>Reading:</b> Miller-Nobles, Mattison, & Matsumura, Chapter 2.	No	7.5 hr
<b>Reading:</b> ITT Tech Virtual Library> Basic Search> <ul style="list-style-type: none"> <li>• “Long-Term Stock Returns After a Substantial Increase in the Debt Ratio”</li> <li>• “Notes on the Origin of Double-Entry Book Keeping”</li> <li>• “The Double Entry Constraint, Structural Modeling and Econometric Estimation”</li> </ul>	No	4.5 hr
<b>Lesson:</b> Study the lesson for this module.	No	2 hr
<b>Discussion:</b> Participate in the discussion titled “Financial Statements.”	Yes	N/A
<b>Quiz:</b> Take Quiz 1.	Yes	N/A
<b>Lab:</b> Complete the lab titled “Analysis and Record of Transactions.”	Yes	N/A
<b>Quiz:</b> Prepare for Quiz 2.	No	2 hr

Total Out-Of-Class Activities: 16 Hours

## MODULE 3: ADJUSTMENT PROCESS

### COURSE LEARNING OBJECTIVES COVERED

- Use common accounts, journals, and ledgers to record transactions.
- Complete the process to record a transaction, including preparing journal entries and a trial balance.
- Discuss the differences between accrual and cash-basis accounting.
- Prepare financial statements, including an income statement, a statement of owner's equity, and a balance sheet, using the adjusted trial balance.

### TOPICS COVERED

- Cash Accounting
- Accrual Accounting
- Adjusting Entries
- Adjusted Trial Balance

MODULE LEARNING ACTIVITIES	GRADED	OUT-OF-CLASS TIME
<b>Reading:</b> Miller-Nobles, Mattison, & Matsumura, Chapter 3.	No	8.5 hr
<b>Reading:</b> ITT Tech Virtual Library> Basic Search> <ul style="list-style-type: none"> <li>• “Cash Doesn't Lie”</li> <li>• “How Adjusting Entries Affect the Quality of Financial Reporting: The Case of Frosty Co.”</li> <li>• “Using the Basic Accounting Equation to Help Students Understand Differences Between the Cash Basis and Accrual Basis”</li> </ul>	No	4.5 hr
<b>Lesson:</b> Study the lesson for this module.	No	2 hr
<b>Discussion:</b> Participate in the discussion titled “Accrual Accounting.”	Yes	N/A
<b>Quiz:</b> Take Quiz 2.	Yes	N/A
<b>Lab 1:</b> Complete the lab titled “Adjustments.”	Yes	N/A
<b>Lab 2:</b> Complete the lab titled “Adjusted Trial Balance.”	Yes	N/A
<b>Quiz:</b> Prepare for Quiz 3.	No	2 hr

Total Out-Of-Class Activities: 17 Hours

## MODULE 4: ACCOUNTING CYCLE

### COURSE LEARNING OBJECTIVES COVERED

- Complete the process to record a transaction, including preparing journal entries and a trial balance.
- Discuss the differences between accrual and cash-basis accounting.
- Prepare financial statements, including an income statement, a statement of owner's equity, and a balance sheet, using the adjusted trial balance.
- Complete the accounting cycle by preparing closing entries, a post-closing trial balance, and financial statements.

### TOPICS COVERED

- Closing Process
- Post-Closing Trial Balance
- Accounting Cycle
- Reversing Entries

MODULE LEARNING ACTIVITIES	GRADED	OUT-OF-CLASS TIME
<b>Reading:</b> Miller-Nobles, Mattison, & Matsumura, Chapter 4.	No	8.5 hr
<b>Reading:</b> <ul style="list-style-type: none"> <li>• ITT Tech Virtual Library&gt; Basic Search&gt; <ul style="list-style-type: none"> <li>○ “Closing the Loop on Closing the Books”</li> <li>○ “Tasteless Tea Company: A Comprehensive Revenue Transaction Cycle Case Study”</li> </ul> </li> <li>• ITT Tech Virtual Library&gt; Advanced Search &gt; Title: “To Reverse or Not to Reverse?” and Author: “Van Ness, Paul H.”</li> </ul>	No	3.5 hr
<b>Lesson:</b> Study the lesson for this module.	No	2 hr
<b>Discussion:</b> Participate in the discussion titled “Change Statement.”	Yes	N/A
<b>Quiz:</b> Take Quiz 3.	Yes	N/A
<b>Lab 1:</b> Complete the lab titled “Ending Balances.”	Yes	N/A
<b>Lab 2:</b> Complete the lab titled “Closing Entries.”	Yes	N/A

MODULE LEARNING ACTIVITIES	GRADED	OUT-OF-CLASS TIME
<b>Quiz:</b> Prepare for Quiz 4.	No	2 hr

Total Out-Of-Class Activities: 16 Hours

## MODULE 5: MERCHANDISING OPERATIONS

### COURSE LEARNING OBJECTIVES COVERED

- Complete the process to record a transaction, including preparing journal entries and a trial balance.
- Prepare financial statements, including an income statement, a statement of owner's equity, and a balance sheet, using the adjusted trial balance.
- Complete the accounting cycle by preparing closing entries, a post-closing trial balance, and financial statements.

### TOPICS COVERED

- Merchandising Operations Cycle
- Merchandise Inventory

MODULE LEARNING ACTIVITIES	GRADED	OUT-OF-CLASS TIME
<b>Reading:</b> Miller-Nobles, Mattison, & Matsumura, Chapter 5, pp. 244–266.	No	3 hr
<b>Reading:</b> ITT Tech Virtual Library> Basic Search> <ul style="list-style-type: none"> <li>• “Inventory Management Accounting for Obsolete Inventory”</li> <li>• “Inventory Valuation Under IFRS and GAAP”</li> <li>• “Which Inventory Accounting Method is Best for Your Business?”</li> </ul>	No	4 hr
<b>Lesson:</b> Study the lesson for this module.	No	2 hr
<b>Discussion:</b> Participate in the discussion titled “Service Versus Merchandiser.”	Yes	N/A
<b>Quiz:</b> Take Quiz 4.	Yes	N/A
<b>Lab:</b> Complete the lab titled “Merchandising.”	Yes	N/A
<b>Final Exam:</b> Prepare for the final exam.	No	5 hr

Total Out-Of-Class Activities: 14 Hours



## MODULE 6: GROSS PROFIT

### COURSE LEARNING OBJECTIVES COVERED

- Summarize the accounting concepts and principles that business organizations must follow.
- Recognize the organizations that govern the accounting profession.
- Use common accounts, journals, and ledgers to record transactions.
- Complete the process to record a transaction, including preparing journal entries and a trial balance.
- Discuss the differences between accrual and cash-basis accounting.
- Prepare financial statements, including an income statement, a statement of owner's equity, and a balance sheet, using the adjusted trial balance.
- Complete the accounting cycle by preparing closing entries, a post-closing trial balance, and financial statements.

### TOPICS COVERED

- Gross Profit Percentage
- Merchandise Inventory Operations

MODULE LEARNING ACTIVITIES	GRADE D	OUT-OF- CLASS TIME
<b>Reading:</b> Miller-Nobles, Mattison, & Matsumura, Chapter 5, pp. 267–321.	No	6.5 hr
<b>Reading:</b> ITT Tech Virtual Library> Basic Search> “The Tip of the (Inventory) Iceberg”	No	0.5 hr
<b>Lesson:</b> Study the lesson for this module.	No	2 hr
<b>Lab:</b> Complete the lab titled “Gross Profit.”	Yes	N/A
<b>Final Exam:</b> Take the final exam.	Yes	N/A

Total Out-Of-Class Activities: 9 Hours

## EVALUATION AND GRADING

### EVALUATION CRITERIA

The graded assignments will be evaluated using the following weighted categories:

CATEGORY	WEIGHT
Discussion	15%
Lab	35%
Quiz	25%
Final Exam	25%
TOTAL	100%

### GRADE CONVERSION

The final grades will be calculated from the percentages earned in the course, as follows:

GRADE	PERCENTAGE
A (4.0)	90–100%
B+ (3.5)	85–89%
B (3.0)	80–84%
C+ (2.5)	75–79%
C (2.0)	70–74%
D+ (1.5)	65–69%
D (1.0)	60–64%
F (0.0)	<60%

## LEARNING MATERIALS AND REFERENCES

### REQUIRED RESOURCES

#### COMPLETE TEXTBOOK PACKAGE

Miller-Nobles, T. L., Mattison, B. L., & Matsumura, E. M. (2016). *Horngren's accounting (11th ed.)*. Prentice Hall.

### RECOMMENDED RESOURCES

- ITT Tech Virtual Library (accessed via Student Portal | <https://studentportal.itt-tech.edu>)
  - Basic Search>
    - Adler, J. (2011). Closing the loop on closing the books. *Strategic Finance*, 93(1), 43-47.
    - Christodoulou, D., & Mcleay, S. (2014). The double entry constraint, structural modeling, and econometric estimation. *Contemporary Accounting Research*, 31(2), 609-628.
    - Fisher, D. (2011). Cash doesn't lie. *Forbes*, 188(1), 54-55.
    - Grill Jr., N. G. (2011). Which inventory accounting method is best for your business? *Fairfield County Business Journal*, 47(24), 20.
    - Gupta, S., & Iyengar, C. (2014). The tip of the (inventory) iceberg. *Supply Chain Management Review*, 18(6), 28-35.
    - Huang, H., & Chan, M. (2013). Long-term stock returns after a substantial increase in the debt ratio. *Applied Financial Economics*, 23(6), 449-460.
    - Krishnan, S., & Ping, L. (2012). Inventory valuation under IFRS and GAAP. *Strategic Finance*, 93(9), 51-58.
    - Porter, J. C. (2012). How adjusting entries affect the quality of financial reporting: The case of frosty co. *Issues In Accounting Education*, 27(2), 493-524.
    - Premuroso, R. F., Hopwood, W. S., & Somnath, B. (2011). Tasteless tea company: A comprehensive revenue transaction cycle case study. *Issues In Accounting Education*, 26(1), 163-179. Vanzante, N. (2013). *Using the basic accounting equation to help students understand differences between the*

cash basis and accrual basis. *Management Accounting Quarterly*, 14(2), 34-39.

- Verma, M. (2015). Inventory management accounting for obsolete inventory. *IUP Journal Of Accounting Research & Audit Practices*, 14(1), 55-60.
- Yamey, B. S. (1947). Notes on the origin of double-entry book keeping. *Accounting Review*, 22(3), 263.
- Advanced Search>
  - van Ness, P. H. (1966). To reverse or not to reverse?. *Accounting Review*, 41(1), 138-141.

## INSTRUCTIONAL METHODS AND TEACHING STRATEGIES

The curriculum employs a variety of instructional methods that support the course objectives while fostering higher cognitive skills. These methods are designed to encourage and engage you in the learning process in order to maximize learning opportunities. The instructional methods include but are not limited to lectures, collaborative learning options, use of technology, and hands-on activities.

To implement the above-mentioned instructional methods, this course uses several teaching strategies, such as critical thinking, numerical problems, and lessons. Your progress will be regularly assessed through a variety of assessment tools including discussions, labs, quizzes, and a final exam.

## OUT-OF-CLASS WORK

For purposes of defining an academic credit hour for Title IV funding purposes, ITT Technical Institute considers a quarter credit hour to be the equivalent of: (a) at least 10 clock hours of classroom activities and at least 20 clock hours of outside preparation; (b) at least 20 clock hours of laboratory activities; or (c) at least 30 clock hours of externship, practicum or clinical activities. ITT Technical Institute utilizes a “time-based option” for establishing out-of-class activities which would equate to two hours of out-of-class activities for every one hour of classroom time. The procedure for determining credit hours for Title IV funding purposes is to divide the total number of classroom, laboratory, externship, practicum and clinical hours by the conversion ratios specified above. A clock hour is 50 minutes.

A credit hour is an artificial measurement of the amount of learning that can occur in a program course based on a specified amount of time spent on class activities and student preparation during the program course. In conformity with commonly accepted practice in higher education, ITT Technical Institute has institutionally established and determined that credit hours awarded for coursework in this program course (including out-of-class assignments and learning activities described in the “Course Outline” section of this syllabus) are in accordance with the time-based option for awarding academic credit described in the immediately preceding paragraph.

**ACADEMIC INTEGRITY**

All students must comply with the policies that regulate all forms of academic dishonesty or academic misconduct. For more information on the academic honesty policies, refer to the Student Handbook and the School Catalog.

**INSTRUCTOR DETAILS**

Instructor Name	
Office Hours	
Contact Details	

*(End of Syllabus)*