

MANCHESTER REGIONAL HIGH SCHOOL

BUSINESS DEPARTMENT

ACCOUNTING II

REVISED & ADOPTED  
OCTOBER 2017

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# Accounting II

## I. Course Synopsis

The purpose of Accounting II is to provide students with the fundamentals of financial accounting. Through instruction and student centered activities, and use of QuickBooks software, students will become familiar with accounting methods used primarily by merchandising businesses and corporations. Students will develop mastery of financial statement development and gain insight into statement analysis. Students will be prepared to enter into Accounting or Business curricula at the collegiate level.

## II. Philosophy & Rationale

In today's global economy, students need to be lifelong learners who have the knowledge and skills to adapt to an evolving workplace and world. To address these demands, Standard 9, 21st Century Life and Careers, which includes the 12 Career Ready Practices, establishes clear guidelines for what students need to know and be able to do in order to be successful in their future careers and to achieve financial independence.

**Mission:** *21st century life and career skills enable students to make informed decisions that prepare them to engage as active citizens in a dynamic global society and to successfully meet the challenges and opportunities of the 21st century global workplace.*

**Vision:** To integrate 21st Century life and career skills across the K-12 curriculum and in Career and Technical Education (CTE) programs to foster a population that:

- Continually self-reflects and seeks to improve the essential life and career practices that lead to success.
- Uses effective communication and collaboration skills and resources to interact with a global society.
- Is financially literate and financially responsible at home and in the broader community.
- Is knowledgeable about careers and can plan, execute, and alter career goals in response to changing societal and economic conditions.
- Seeks to attain skill and content mastery to achieve success in a chosen career path.

### III. Scope & Sequence

**Unit 1: Payroll Computations, Records, & Payment (2 Weeks):**

- Who is an Employee
- Federal Employee Earnings & Withholding Laws
- Employer's Payroll Taxes & Insurance Costs
- Computing Total Earnings
- Determining Pay for Hourly & Salaried Employees
- Recording Payroll Information

**Unit 2: Accruals, Deferrals & the Worksheet (4 Weeks):**

- Accrual Basis of Accounting
- Using the Worksheet to Record Adjustments
- Preparing the Adjusted Trial Balance section
- Preparing the Balance Sheet & Income Statement Sections
- Calculating Net Income & Net Loss

**Unit 3: Financial Statements & Closing Procedures (3 Weeks):**

- Classified Income Statement
- Statement of Owner's Equity
- The Classified Balance Sheet
- Journalizing & Posting Adjusting Entries
- Journalizing & Posting Closing Entries
- Preparing a Post Closing Trial Balance
- Interpreting the Financial Statements
- Journalizing & Posting Reversing Entries

**Unit 4: Accounts Receivable & Uncollectible Accounts (4 Weeks):**

- Methods of Accounting for Uncollectible Accounts
- Applying the Allowance Method
- Recording Uncollectible Accounts using the Direct Write-Off Method
- Collecting Previously Written off Accounts using Direct Write-Off Method
- Accounting for Other Receivables & Bad Debt Losses
- Internal Controls of Accounts Receivable

**Unit 5: Merchandise Inventory (5 Weeks):**

- Importance of Inventory Valuation
- Assigning Costs to Inventory
- Comparing Results of Inventory Costing Methods
- Lower of Cost or Market Rule
- Inventory Estimation Procedures
- Internal Control of Inventories

**Unit 6: Property, Plant & Equipment (3 Weeks):**

Property, Plant & Equipment Classifications  
Acquisition of Property, Plant & Equipment  
Depreciation of Property, Plant & Equipment  
Disposition of Assets  
Intangible Assets

**Unit 7: Corporations: Formation & Capital Stock Transactions (4 weeks)**

Characteristics of Corporations  
Formation of Corporations  
Structure of Corporations  
Capital Stock  
Dividends on Stock  
Recording the Issuance of Stock  
Subscriptions for Capital Stock

**Unit 8: Corporate Earnings & Capital Transactions (4 Weeks):**

Corporate Income Tax  
Completing the Corporate Worksheet  
Adjusting & Closing Entries  
The Corporate Income Statement  
Retained Earnings

**Unit 9: Long-Term Bonds (4 Weeks):**

Types of Bonds  
Debt vs. Equity Financing  
Bonds Issued at Face Value  
Bonds Issued at Premium  
Bonds Issued at Discount  
Balance Sheet Presentation of Bond Premium & Discount  
Accounting For Bond Issue Costs

## IV. Unit Descriptions

### Unit 1: Payroll Computations, Records, & Payment

#### Enduring Understandings

1. Tax & labor laws protect the rights of both the employee and employer. Income tax withholding laws ensure continued funding of certain federal and state programs.
2. Payroll is a large part of business activity.
3. Employers are legally responsible for collecting and remitting payroll taxes.
4. Employers have legal responsibility for determining tax deductions.
5. The payroll register provides information needed to prepare payroll checks.

#### Essential Questions

1. What are the payroll laws and taxes?
2. How are earnings and taxes calculated?
3. How is payroll information recorded?

#### Learning Objectives

Students will be able to:

1. Explain the major federal laws relating to employee earnings and withholdings.
2. Compute gross earnings of employees.
3. Determine employee deductions for social security, Medicare, and federal/state income taxes.
4. Enter gross earnings, deductions and net pay in the payroll register.
5. Journalize payroll transactions in the general journal.

#### New Jersey Core Curriculum Standards – Technology

- See Technology & Career Readiness & 21st Century Skills Standards Curriculum Appendix

#### Career Readiness Practices

- CRP 8. Utilize critical thinking to make sense of problems and persevere in solving them.
- CRP11. Use technology to enhance productivity.

#### NJCCS Standard 9.2 – Career Awareness, Exploration, and Preparation

- 9.2.12. C.7 Examine the professional, legal, and ethical responsibilities for both employers and employees in the global workplace.

#### NJCCS Standard 9.3 – Career and Technical Education

- 9.3.12.FN.2 Utilize tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
- 9.3.12.FN.6 Plan, monitor and manage day-to-day activities to ensure effective and efficient finance operations.
- 9.3.12.FN.11 Plan, monitor and manage day-to-day activities required to sustain continued business functioning.
- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.
- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
- 9.3.12.FN-ACT.3 Process, evaluate and disseminate financial information to assist business decision making.

### Suggested Activities/Modifications

*Below is a list of suggested activities, modifications, accommodations, and enrichment opportunities. This includes, but is not limited to,:*

1. Activities
  - a. Computing Gross Earnings (Ex. 10.1)
  - b. Computing Regular Earnings, Overtime Earnings, & Gross Pay (Ex. 10.2)
  - c. Determining Social Security Withholding (Ex. 10.3)
  - d. Determining Medicare deductions (Ex. 10.4)
  - e. Determining Federal Income Tax Withholdings (Ex. 10.5)
  - f. Recording Payroll Transactions in General Journal (Ex. 10.6)
  - g. Preparing Payroll Register (Problem 10.2A)
  - h. Payroll Internal Controls Case Analysis (Critical Thinking Problem 10.2)
2. English Language Learners.
  - a. Students may use a bilingual dictionary.
  - b. Read written instructions.
  - c. Students may be provided with note organizers / study guides to reinforce key topics.
  - d. Provide modified assessments when necessary.
  - e. Student may complete assessments in alternate setting when requested.
  - f. Highlight key vocabulary
3. Special Education/504 Students
  - a. Pair visual prompts with verbal presentations

- b. Ask students to restate information, directions, and assignments.
  - c. Repetition and practice
  - d. Model skills / techniques to be mastered.
  - e. Extended time to complete class work
  - f. Provide copy of classnotes
  - g. Student may request to use a computer to complete assignments.
  - h. Establish expectations for correct spelling on assignments.
  - i. Extra textbooks for home.
  - j. Assign a peer helper in the class setting.
  - k. Provide oral reminders and check student work during independent work time.
  - l. Encourage student to proofread assignments and tests
  - m. Student requires use of other assistive technology device
  - n. Modifications in accordance with individual students' 504 plans and IEP's
  - o. Students may be provided with note organizers / study guides to reinforce key topics.
  - p. Extended time on assessments when needed.
  - q. Preferred seating to be determined by student and teacher
  - r. Provide modified assessments when necessary.
  - s. Student may complete assessments in alternate setting when requested
  - t. Establish a non-verbal cue to redirect student when not on task.
  - u. Maintain strong teacher / parent communication.
4. Gifted and Talented Students.
- a. Students will be afforded the opportunity to locate current events, beyond the scope discussed in class, that are relevant to the class lessons in order to peer teach and share.
  - b. Authentic listening and reading sources that provide data and support for speaking and writing prompts.
  - c. Provide enrichment activities to expand upon the curriculum.
  - d. Use higher level questioning techniques in class and on assessments.
  - e. Payroll Accounting Case Analysis (Critical Thinking Problem 10.1)



## Unit 2: Accruals, Deferrals & The Worksheet

### Enduring Understandings

1. The change in merchandise inventory affects the financial statements.
2. Each expense item needs to be assigned to the accounting period in which it helped to earn revenue.
3. The accrual basis of accounting states that income is recognized in period it is earned.
4. Using the worksheet is a convenient way to gather the information needed for the financial statements.

### Essential Questions

1. What is the accrual basis of accounting?
2. How does one calculate and record the adjustments?
3. How does one complete the worksheet after adjustments have been entered?

### Learning Objectives

Students will be able to:

1. Determine the adjustment for merchandise inventory and enter the adjustments on the worksheet.
2. Compute adjustments for accrued and prepaid expenses items and enter them on the worksheet.
3. Compute adjustments for accrued and deferred income items and enter them on the worksheet.
4. Complete the 10-column worksheet.
5. Determine net income or loss for the period.

### New Jersey Core Curriculum Standards – Technology

- See Technology & Career Readiness & 21st Century Skills Standards Curriculum Appendix

### Career Readiness Practices

- CRP 8. Utilize critical thinking to make sense of problems and persevere in solving them.
- CRP11. Use technology to enhance productivity.

### NJCCS Standard 9.2 – Career Awareness, Exploration, and Preparation

- 9.2.12. C.7 Examine the professional, legal, and ethical responsibilities for both employers and employees in the global workplace.

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- 9.3.12.FN.11 Plan, monitor and manage day-to-day activities required to sustain continued business functioning.
- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.
- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
- 9.3.12.FN-ACT.3 Process, evaluate and disseminate financial information to assist business decision making.

Suggested Activities/Modifications

*Below is a list of suggested activities, modifications, accommodations, and enrichment opportunities. This includes, but is not limited to,:*

1. Activities
  - a. Determine Adjustments for Inventory (Ex. 12.1 & 12.2)
  - b. Compute Adjustments for Accrued & Prepaid Expenses (Ex. 12.3 & 12.4)
  - c. Record Adjustments for Accrued & Prepaid Expense Items (Ex. 12.5 & 12.6)
  - d. Record Adjustments for Accrued & Deferred Incomes (Ex. 12.7)
  - e. Recording Adjustments for Accrued & Prepaid Items & Unearned Income (Problem 12.1A & 12.2A)
2. English Language Learners.
  - a. Students may use a bilingual dictionary.
  - b. Read written instructions.
  - c. Students may be provided with note organizers / study guides to reinforce key topics.
  - d. Provide modified assessments when necessary.
  - e. Student may complete assessments in alternate setting when requested.
  - f. Highlight key vocabulary
3. Special Education/504 Students
  - a. Pair visual prompts with verbal presentations
  - b. Ask students to restate information, directions, and assignments.
  - c. Repetition and practice

- d. Model skills / techniques to be mastered.
  - e. Extended time to complete class work
  - f. Provide copy of classnotes
  - g. Student may request to use a computer to complete assignments.
  - h. Establish expectations for correct spelling on assignments.
  - i. Extra textbooks for home.
  - j. Assign a peer helper in the class setting.
  - k. Provide oral reminders and check student work during independent work time.
  - l. Encourage student to proofread assignments and tests
  - m. Student requires use of other assistive technology device
  - n. Modifications in accordance with individual students' 504 plans and IEP's
  - o. Students may be provided with note organizers / study guides to reinforce key topics.
  - p. Extended time on assessments when needed.
  - q. Preferred seating to be determined by student and teacher
  - r. Provide modified assessments when necessary.
  - s. Student may complete assessments in alternate setting when requested
  - t. Establish a non-verbal cue to redirect student when not on task.
  - u. Maintain strong teacher / parent communication.
4. Gifted and Talented Students.
- a. Students will be afforded the opportunity to locate current events, beyond the scope discussed in class, that are relevant to the class lessons in order to peer teach and share.
  - b. Authentic listening and reading sources that provide data and support for speaking and writing prompts.
  - c. Provide enrichment activities to expand upon the curriculum.
  - d. Use higher level questioning techniques in class and on assessments.
  - e. Determining Net Profit Case Analysis (Critical Thinking Problem 12.2)

### **Unit 3: Financial Statement & Closing Procedures**

#### Enduring Understandings

1. Financial Information needs to be presented in a meaningful and easy to use way for decision makers.
2. The statement of owner's equity reports changes to and balances in the owner's equity account.
3. Grouping accounts help financial statement users to identify total assets, equity and financial obligations of the business.
4. Adjusting entries match revenues and expenses to the proper periods.

5. The temporary accounts are closed in order to prepare for the next accounting period.
6. The general ledger must remain in balance.
7. Reversing entries are made so that transactions can be recorded in the usual way in the next accounting period.

### Essential Questions

1. How does one prepare each of the financial statements?
2. How does one complete the accounting cycle for a merchandising business?
3. How does one journalize & post adjusting, closing & reversing entries?

### Learning Objectives

Students will be able to:

1. Prepare a classified income statement, statement of owner's equity and balance sheet from the worksheet.
2. Journalize and post the adjusting entries.
3. Journalize and post the closing entries.
4. Prepare a postclosing trial balance.
5. Journalize and post reversing entries.

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- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.
- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
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- 9.3.12.FN-ACT.3 Process, evaluate and disseminate financial information to assist business decision making.

### Suggested Activities/Modifications

*Below is a list of suggested activities, modifications, accommodations, and enrichment opportunities. This includes, but is not limited to,:*

1. Activities
  - a. Classifying Income Statement & Balance Sheet Items (**ELL, SE** Exercise 13.1 & 13.2)
  - b. Preparing Classified Financial Statements (Exercise 13.3, 13.4, 13.5)
  - c. Recording Closing Entries (Exercise 13.6)
  - d. Journalizing Reversing Entries (Exercise 13.7)
  - e. Journalizing Adjusting, Closing & Reversing Entries (Problem 13.4A)
2. English Language Learners.
  - a. Students may use a bilingual dictionary.
  - b. Read written instructions.
  - c. Students may be provided with note organizers / study guides to reinforce key topics.
  - d. Provide modified assessments when necessary.
  - e. Student may complete assessments in alternate setting when requested.
  - f. Highlight key vocabulary
  - g. Exercise 13.1 & 13.2
3. Special Education/504 Students
  - a. Pair visual prompts with verbal presentations
  - b. Ask students to restate information, directions, and assignments.
  - c. Repetition and practice
  - d. Model skills / techniques to be mastered.
  - e. Extended time to complete class work
  - f. Provide copy of classnotes
  - g. Student may request to use a computer to complete assignments.
  - h. Establish expectations for correct spelling on assignments.
  - i. Extra textbooks for home.

- j. Assign a peer helper in the class setting.
  - k. Provide oral reminders and check student work during independent work time.
  - l. Encourage student to proofread assignments and tests
  - m. Student requires use of other assistive technology device
  - n. Modifications in accordance with individual students' 504 plans and IEP's
  - o. Students may be provided with note organizers / study guides to reinforce key topics.
  - p. Extended time on assessments when needed.
  - q. Preferred seating to be determined by student and teacher
  - r. Provide modified assessments when necessary.
  - s. Student may complete assessments in alternate setting when requested
  - t. Establish a non-verbal cue to redirect student when not on task.
  - u. Maintain strong teacher / parent communication
  - v. Exercise 13.1 & 13.2
4. Gifted and Talented Students.
- a. Students will be afforded the opportunity to locate current events, beyond the scope discussed in class, that are relevant to the class lessons in order to peer teach and share.
  - b. Authentic listening and reading sources that provide data and support for speaking and writing prompts.
  - c. Provide enrichment activities to expand upon the curriculum.
  - d. Use higher level questioning techniques in class and on assessments.
  - e. Calculating Ratios (Exercise 13.9)

#### **Unit 4: Accounts Receivable & Uncollectible Accounts**

##### Enduring Understandings

1. To satisfy the matching principle, the allowance method is used whereby bad debt losses are matched with its related sales revenue.
2. When accounts become uncollectible they should be written off. The accounts receivable subsidiary ledger must be updated to ensure future business and credit decisions are sound.
3. Customer's accounts should reflect actual payment histories.
4. The direct write off method is used for federal income tax reporting but is does not comply with GAAP (generally accepted accounting principles).
5. Accounts must take necessary measures to prevent mishandling of funds involving accounts receivable and uncollectible accounts.

##### Essential Question(s)

1. How is the allowance method used to account for uncollectible accounts?
2. How is the direct write off method used to account for uncollectible accounts?

### Learning Objectives

Students will be able to:

1. Record the estimated expense from uncollectible accounts receivable using the allowance method.
2. Charge off uncollectible accounts using the allowance method.
3. Record the collection of accounts previously written off using the allowance method.
4. Record losses from uncollectible accounts using the direct charge off method.
5. Record the collection of accounts previously written off using the direct write off method.
6. Recognize common internal controls for accounts receivable.

### New Jersey Core Curriculum Standards – Technology

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- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.
- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.

- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.

### Suggested Activities/Modifications

*Below is a list of suggested activities, modifications, accommodations, and enrichment opportunities. This includes, but is not limited to,:*

1. Activities
  - a. Estimating & Recording Uncollectible Accounts under Allowance Method (Ex. 15.1, 15.2, 15.3)
  - b. Recording Actual Uncollectible Amounts under Allowance Method (Ex. 15.4)
  - c. Recording Collection of Previously Written Off Accounts under Allowance Method (Ex. 15.5, 15.6)
  - d. Recording Uncollectible Accounts under Direct Write Off Method (Ex.15.7)
  - e. Recording Collection of Previously Written Off Accounts Under Direct Write Off Method (Ex. 15.8)
  - f. Estimating & Recording Uncollectible Accounts on Basis of Sales (Problem 15.1A)
  - g. Estimating & Recording Uncollectible Accounts on Basis of Accounts Receivable (Problem 15.2A)
  - h. Using Different Methods to Record Uncollectible Accounts (Problem 15.3A)
  - i. Recording Uncollectible Accounts under Direct Write Off Method (Problem 15.4A)
2. English Language Learners.
  - a. Students may use a bilingual dictionary.
  - b. Read written instructions.
  - c. Students may be provided with note organizers / study guides to reinforce key topics.
  - d. Provide modified assessments when necessary.
  - e. Student may complete assessments in alternate setting when requested.
  - f. Highlight key vocabulary
3. Special Education/504 Students
  - a. Pair visual prompts with verbal presentations
  - b. Ask students to restate information, directions, and assignments.
  - c. Repetition and practice
  - d. Model skills / techniques to be mastered.
  - e. Extended time to complete class work
  - f. Provide copy of classnotes
  - g. Student may request to use a computer to complete assignments.
  - h. Establish expectations for correct spelling on assignments.
  - i. Extra textbooks for home.



- j. Assign a peer helper in the class setting.
  - k. Provide oral reminders and check student work during independent work time.
  - l. Encourage student to proofread assignments and tests
  - m. Student requires use of other assistive technology device
  - n. Modifications in accordance with individual students' 504 plans and IEP's
  - o. Students may be provided with note organizers / study guides to reinforce key topics.
  - p. Extended time on assessments when needed.
  - q. Preferred seating to be determined by student and teacher
  - r. Provide modified assessments when necessary.
  - s. Student may complete assessments in alternate setting when requested
  - t. Establish a non-verbal cue to redirect student when not on task.
  - u. Maintain strong teacher / parent communication
  - v. Reduced case and statement analysis
4. Gifted and Talented Students.
- a. Students will be afforded the opportunity to locate current events, beyond the scope discussed in class, that are relevant to the class lessons in order to peer teach and share.
  - b. Authentic listening and reading sources that provide data and support for speaking and writing prompts.
  - c. Provide enrichment activities to expand upon the curriculum.
  - d. Use higher level questioning techniques in class and on assessments.
  - e. Managing Uncollectible Accounts Case Analysis (Critical Thinking Problem 15.1A)
  - f. Credit Decision & Consequences (Critical Thinking Problem 15.2A)

## **Unit 5: Merchandise Inventory**

### Enduring Understandings

1. Factors such as industry practices, merchandise types and business operations affect how a business assigns costs to inventories.
2. Inventory valuations affect the net income or net loss of the business.
3. The conservatism convention is important when determining the cost of inventory.
4. Often businesses need to determine the cost of inventory without taking a physical count.
5. The retail method provides an easy and quick estimation of the cost of the inventory.

### Essential Questions

1. What are the different inventory costing methods?
2. What are the different inventory valuation and control methods used?

### Learning Objectives

Students will be able to:

1. Compute inventory cost by applying four commonly used costing methods.
2. Compare the effects of different methods of inventory costing.
3. Compute inventory value under the lower of cost or market rule.
4. Estimate inventory cost using the gross profit method.
5. Estimate inventory cost using the retail method.

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### Career Readiness Practices

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- 9.3.12.FN.11 Plan, monitor and manage day-to-day activities required to sustain continued business functioning.
- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.
- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.

### Suggested Activities/Modifications

*Below is a list of suggested activities, modifications, accommodations, and enrichment opportunities. This includes, but is not limited to,:*

1. Activities
  - a. Computing inventory costs using different valuation methods (Exercise 17.1, Problem 17.1A, 17.2A)
  - b. Applying the lower of cost or market rule (Exercise 17.2, Problem 17.3A)
  - c. Estimating inventory using the gross profit method (Exercise 17.4, Problem 17.4A)
  - d. Estimating inventory using the retail method (Exercise 17.5, Problem 17.5A)
2. English Language Learners.
  - a. Students may use a bilingual dictionary.
  - b. Read written instructions.
  - c. Students may be provided with note organizers / study guides to reinforce key topics.
  - d. Provide modified assessments when necessary.
  - e. Student may complete assessments in alternate setting when requested.
  - f. Highlight key vocabulary
  - g. Essential Vocabulary Journal
  - h. Modeling of Calculations & Accounting Procedures
3. Special Education/504 Students
  - a. Pair visual prompts with verbal presentations
  - b. Ask students to restate information, directions, and assignments.
  - c. Repetition and practice
  - d. Model skills / techniques to be mastered.
  - e. Extended time to complete class work
  - f. Provide copy of classnotes
  - g. Student may request to use a computer to complete assignments.
  - h. Establish expectations for correct spelling on assignments.
  - i. Extra textbooks for home.
  - j. Assign a peer helper in the class setting.
  - k. Provide oral reminders and check student work during independent work time.
  - l. Encourage student to proofread assignments and tests
  - m. Student requires use of other assistive technology device
  - n. Modifications in accordance with individual students' 504 plans and IEP's
  - o. Students may be provided with note organizers / study guides to reinforce key topics.
  - p. Extended time on assessments when needed.
  - q. Preferred seating to be determined by student and teacher

- r. Provide modified assessments when necessary.
  - s. Student may complete assessments in alternate setting when requested
  - t. Establish a non-verbal cue to redirect student when not on task.
  - u. Maintain strong teacher / parent communication
  - v. Reduced case and statement analysis
4. Gifted and Talented Students.
- a. Students will be afforded the opportunity to locate current events, beyond the scope discussed in class, that are relevant to the class lessons in order to peer teach and share.
  - b. Authentic listening and reading sources that provide data and support for speaking and writing prompts.
  - c. Provide enrichment activities to expand upon the curriculum.
  - d. Use higher level questioning techniques in class and on assessments.
  - e. Inventory Estimation Case (Critical Thinking Problem 17.1A)

## **Unit 6: Property, Plant & Equipment**

### Enduring Understandings

1. An assets cost is used to compute depreciation and gain or loss on disposition
2. Business expenses include allocations of the costs of long term assets.
3. Businesses routinely sell or dispose of plant assets that are no longer useful to the business.

### Essential Questions

1. How to account for the acquisition and depreciation of long term assets?
2. How to account for the disposition of long term assets?

### Learning Objectives

Students will be able to:

1. Determine the amount to record as an asset's cost.
2. Compute and record depreciation of property, plant and equipment by commonly used methods.
3. Record sales of plant & equipment.

### New Jersey Core Curriculum Standards – Technology

- See Technology & Career Readiness & 21st Century Skills Standards Curriculum Appendix

### Career Readiness Practices

- CRP 8. Utilize critical thinking to make sense of problems and persevere in solving them.
- CRP11. Use technology to enhance productivity.

#### NJCCS Standard 9.2 – Career Awareness, Exploration, and Preparation

- 9.2.12. C.7 Examine the professional, legal, and ethical responsibilities for both employers and employees in the global workplace.

#### NJCCS Standard 9.3 – Career and Technical Education

- 9.3.12.FN.2 Utilize tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
- 9.3.12.FN.6 Plan, monitor and manage day-to-day activities to ensure effective and efficient finance operations.
- 9.3.12.FN.11 Plan, monitor and manage day-to-day activities required to sustain continued business functioning.
- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.
- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.

#### Suggested Activities/Modifications

*Below is a list of suggested activities, modifications, accommodations, and enrichment opportunities. This includes, but is not limited to,:*

1. Activities
  - a. Determining the cost of assets (Exercise 18.1, 18.2, Problem 18.1A, 18.1B)
  - b. Recording depreciation under different methods (Exercise 18.3, 18.4, 18.5, Problem 18.2A, 18.3A, 18.2B, 18.3B)
  - c. 18.3A, 18.2B, 18.3B)
  - d. Recording assets trade-ins and sales (Exercise 18.6 & 18.7)
2. English Language Learners.
  - a. Students may use a bilingual dictionary.
  - b. Read written instructions.
  - c. Students may be provided with note organizers / study guides to reinforce key topics.
  - d. Provide modified assessments when necessary.
  - e. Student may complete assessments in alternate setting when requested.
  - f. Highlight key vocabulary

- g. Essential Vocabulary Journal
  - h. Modeling of Calculations & Accounting Procedures
3. Special Education/504 Students
- a. Pair visual prompts with verbal presentations
  - b. Ask students to restate information, directions, and assignments.
  - c. Repetition and practice
  - d. Model skills / techniques to be mastered.
  - e. Extended time to complete class work
  - f. Provide copy of classnotes
  - g. Student may request to use a computer to complete assignments.
  - h. Establish expectations for correct spelling on assignments.
  - i. Extra textbooks for home.
  - j. Assign a peer helper in the class setting.
  - k. Provide oral reminders and check student work during independent work time.
  - l. Encourage student to proofread assignments and tests
  - m. Student requires use of other assistive technology device
  - n. Modifications in accordance with individual students' 504 plans and IEP's
  - o. Students may be provided with note organizers / study guides to reinforce key topics.
  - p. Extended time on assessments when needed.
  - q. Preferred seating to be determined by student and teacher
  - r. Provide modified assessments when necessary.
  - s. Student may complete assessments in alternate setting when requested
  - t. Establish a non-verbal cue to redirect student when not on task.
  - u. Maintain strong teacher / parent communication
  - v. Reduced case and statement analysis
4. Gifted and Talented Students.
- a. Students will be afforded the opportunity to locate current events, beyond the scope discussed in class, that are relevant to the class lessons in order to peer teach and share.
  - b. Authentic listening and reading sources that provide data and support for speaking and writing prompts.
  - c. Provide enrichment activities to expand upon the curriculum.
  - d. Use higher level questioning techniques in class and on assessments.

## **Unit 7: Corporations: Formation & Capital Stock Transactions**

### Enduring Understandings

1. The corporate form of business is widely used in the national and international marketplace.
2. “Hybrid” organizations are becoming increasingly popular for the tax advantages and limited liability features they offer.
3. Shareholders and others must understand the rights and limitations of each class of stock.
4. Conversion of stock changes the allocation of stockholders’ equity between classes of stock.
5. Dividends are a major benefit of stock ownership.
6. Stock sales affect equity.
7. The balance sheet must show the classes and values of stock.
8. The start-up of a corporation involves a variety of costs.
9. Stockholder’s equity must be reported accurately.
10. Stock subscriptions increase assets.
11. Records are legally required.

### Essential Questions

1. How are corporations formed?
2. What are the different types of capital stock?
3. How are capital stock transactions recorded?

### Learning Objectives

Students will be able to:

1. Explain the characteristics of a corporation.
2. Describe special “hybrid” organizations that have some characteristics of partnerships and some characteristics of corporations.
3. Describe the different types of stock.
4. Compute the number of shares of common stock to be issued on the conversion of convertible preferred stock.
5. Compute dividends payable on stock.
6. Record the issuance of capital stock at par value.
7. Prepare a balance sheet for a corporation.
8. Record organization costs.
9. Record stock issued at a premium and stock with no par value.
10. Record transactions for stock subscriptions.
11. Describe the capital stock records for a corporation.

### New Jersey Core Curriculum Standards – Technology

- See Technology & Career Readiness & 21st Century Skills Standards Curriculum Appendix

### Career Readiness Practices

- CRP 8. Utilize critical thinking to make sense of problems and persevere in solving them.
- CRP11. Use technology to enhance productivity.

### NJCCS Standard 9.2 – Career Awareness, Exploration, and Preparation

- 9.2.12. C.7 Examine the professional, legal, and ethical responsibilities for both employers and employees in the global workplace.

### NJCCS Standard 9.3 – Career and Technical Education

- 9.3.12.FN.2 Utilize tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
- 9.3.12.FN.6 Plan, monitor and manage day-to-day activities to ensure effective and efficient finance operations.
- 9.3.12.FN.11 Plan, monitor and manage day-to-day activities required to sustain continued business functioning.
- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.
- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.

### Suggested Activities/Modifications

*Below is a list of suggested activities, modifications, accommodations, and enrichment opportunities. This includes, but is not limited to,:*

1. Activities
  - a. Computing dividends payable (Exercise 20.1, 20.2)
  - b. Converting preferred stock (Exercise 20.4)
  - c. Accounting for organization costs (Exercise 20.6)
  - d. Issuing stock at par, at a premium and no par stock (Exercise 20.7, 20.8, 20.9, Problem 20.4A)
  - e. Issuing stock at par, at a premium, preparing stockholder equity section of balance sheet,
  - f. recording stock subscriptions (Problem 20.5A)
2. English Language Learners.
  - a. Students may use a bilingual dictionary.
  - b. Read written instructions.



- c. Students may be provided with note organizers / study guides to reinforce key topics.
  - d. Provide modified assessments when necessary.
  - e. Student may complete assessments in alternate setting when requested.
  - f. Highlight key vocabulary
  - g. Essential Vocabulary Journal
  - h. Modeling of Calculations & Accounting Procedures
  - i. Forming Corporations Discussion Questions
3. Special Education/504 Students
- a. Pair visual prompts with verbal presentations
  - b. Ask students to restate information, directions, and assignments.
  - c. Repetition and practice
  - d. Model skills / techniques to be mastered.
  - e. Extended time to complete class work
  - f. Provide copy of classnotes
  - g. Student may request to use a computer to complete assignments.
  - h. Establish expectations for correct spelling on assignments.
  - i. Extra textbooks for home.
  - j. Assign a peer helper in the class setting.
  - k. Provide oral reminders and check student work during independent work time.
  - l. Encourage student to proofread assignments and tests
  - m. Student requires use of other assistive technology device
  - n. Modifications in accordance with individual students' 504 plans and IEP's
  - o. Students may be provided with note organizers / study guides to reinforce key topics.
  - p. Extended time on assessments when needed.
  - q. Preferred seating to be determined by student and teacher
  - r. Provide modified assessments when necessary.
  - s. Student may complete assessments in alternate setting when requested
  - t. Establish a non-verbal cue to redirect student when not on task.
  - u. Maintain strong teacher / parent communication
  - v. Reduced case and statement analysis
  - w. Forming Corporations Discussion Questions
4. Gifted and Talented Students.
- a. Students will be afforded the opportunity to locate current events, beyond the scope discussed in class, that are relevant to the class lessons in order to peer teach and share.

- b. Authentic listening and reading sources that provide data and support for speaking and writing prompts.
- c. Provide enrichment activities to expand upon the curriculum.
- d. Use higher level questioning techniques in class and on assessments.
- e. Understanding Stockholder's Equity (Critical Thinking Problem 20.1A)
- f. Interpreting the Balance Sheet (Critical Thinking Problem 20.2A)

## **Unit 8: Corporate Earnings & Capital Transactions**

### Enduring Understandings

1. Corporations are required to pay federal, state and local income taxes.
2. The worksheet is a tool used to prepare financial statements.
3. Adjusting and closing entries ensure that revenues are matched with expenses and prepare temporary accounts for the next period.
4. Corporations must report accurate financial results.
5. Corporate profits are distributed to stockholders through cash dividends.
6. Corporations may declare and issue stock dividends to reward their shareholders.
7. Corporations use stock splits to lower market share prices in an effort to attract new investors.

### Essential Questions

1. How are corporate earnings accounted for?
2. How is retained earnings accounted for?
3. How are corporate financial statements prepared?

### Learning Objectives

Students will be able to:

1. Estimate the federal corporate income tax and prepare related journal entries.
2. Complete a worksheet for a corporation.
3. Record corporate adjusting and closing entries.
4. Prepare an income statement for a corporation.
5. Record the declaration and payment of cash dividends.
6. Record the declaration and issuance of stock dividends.
7. Record appropriations of retained earnings.
8. Prepare financial statements for a corporation.

- See Technology & Career Readiness & 21st Century Skills Standards Curriculum Appendix

### Career Readiness Practices

- CRP 8. Utilize critical thinking to make sense of problems and persevere in solving them.
- CRP11. Use technology to enhance productivity.

### NJCCS Standard 9.2 – Career Awareness, Exploration, and Preparation

- 9.2.12. C.7 Examine the professional, legal, and ethical responsibilities for both employers and employees in the global workplace.

### NJCCS Standard 9.3 – Career and Technical Education

- 9.3.12.FN.2 Utilize tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
- 9.3.12.FN.6 Plan, monitor and manage day-to-day activities to ensure effective and efficient finance operations.
- 9.3.12.FN.11 Plan, monitor and manage day-to-day activities required to sustain continued business functioning.
- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.
- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.

### Suggested Activities/Modifications

*Below is a list of suggested activities, modifications, accommodations, and enrichment opportunities. This includes, but is not limited to,:*

1. Activities
  - a. Estimating and recording corporate income tax (Exercise 21.1, 21.2)
  - b. Recording closing entries (Exercise 21.3, 21.4)
  - c. Recording federal income taxes and cash dividends (Exercise 21.5, Problem 21.1A)
  - d. Recording stock dividends and stock splits (Exercise 21.6, 21.7)
  - e. Recording cash dividends, stock dividends, appropriation of retained earnings, and
  - f. preparing statement of retained earnings (Problem 21.3A)
2. English Language Learners.

- a. Students may use a bilingual dictionary.
  - b. Read written instructions.
  - c. Students may be provided with note organizers / study guides to reinforce key topics.
  - d. Provide modified assessments when necessary.
  - e. Student may complete assessments in alternate setting when requested.
  - f. Highlight key vocabulary
  - g. Essential Vocabulary Journal
  - h. Modeling of Calculations & Accounting Procedures
  - i. Shareholder's Equity Discussion Questions
3. Special Education/504 Students
- a. Pair visual prompts with verbal presentations
  - b. Ask students to restate information, directions, and assignments.
  - c. Repetition and practice
  - d. Model skills / techniques to be mastered.
  - e. Extended time to complete class work
  - f. Provide copy of classnotes
  - g. Student may request to use a computer to complete assignments.
  - h. Establish expectations for correct spelling on assignments.
  - i. Extra textbooks for home.
  - j. Assign a peer helper in the class setting.
  - k. Provide oral reminders and check student work during independent work time.
  - l. Encourage student to proofread assignments and tests
  - m. Student requires use of other assistive technology device
  - n. Modifications in accordance with individual students' 504 plans and IEP's
  - o. Students may be provided with note organizers / study guides to reinforce key topics.
  - p. Extended time on assessments when needed.
  - q. Preferred seating to be determined by student and teacher
  - r. Provide modified assessments when necessary.
  - s. Student may complete assessments in alternate setting when requested
  - t. Establish a non-verbal cue to redirect student when not on task.
  - u. Maintain strong teacher / parent communication
  - v. Reduced case and statement analysis
  - w. Shareholder's Equity Discussion Questions
4. Gifted and Talented Students.

- a. Students will be afforded the opportunity to locate current events, beyond the scope discussed in class, that are relevant to the class lessons in order to peer teach and share.
- b. Authentic listening and reading sources that provide data and support for speaking and writing prompts.
- c. Provide enrichment activities to expand upon the curriculum.
- d. Use higher level questioning techniques in class and on assessments.
- e. Individual Investor Case Analysis (Critical Thinking Problem 21.2A)

## **Unit 9: Long Term Bonds**

### Enduring Understandings

1. Corporations frequently issue bonds to raise capital.
2. The use of bonds as a method of financing carries certain financial obligations and tax implications.
3. The issuance of bonds creates a long term liability that needs to be reflected in the accounting records of the issuer.
4. Bondholders receive interest from the bond issuer as stated in the debt instrument.
5. At year end, expenses that have not been recorded are accrued to conform to the matching principle.
6. Bond premiums reduce the overall interest expense.
7. Issuing a bond at less than face value increases the total interest expense.

### Essential Questions

1. How do corporations finance activities through issuing bonds?
2. How are bond issues and interest accounted for?

### Learning Objectives

Students will be able to:

1. Name and define the various types of bonds.
2. Explain the advantages and disadvantages of financing through bonds.
3. Record the issuance of bonds.
4. Record the payment of interest on bonds.
5. Record the accrual of interest on bonds
6. Compute and record the periodic amortization of a bond premium.
7. Compute and record the periodic amortization of a bond discount.

### New Jersey Core Curriculum Standards – Technology

- See Technology & Career Readiness & 21st Century Skills Standards Curriculum Appendix

### Career Readiness Practices

- CRP 8. Utilize critical thinking to make sense of problems and persevere in solving them.
- CRP11. Use technology to enhance productivity.

### NJCCS Standard 9.2 – Career Awareness, Exploration, and Preparation

- 9.2.12. C.7 Examine the professional, legal, and ethical responsibilities for both employers and employees in the global workplace.

### NJCCS Standard 9.3 – Career and Technical Education

- 9.3.12.FN.2 Utilize tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
- 9.3.12.FN.6 Plan, monitor and manage day-to-day activities to ensure effective and efficient finance operations.
- 9.3.12.FN.11 Plan, monitor and manage day-to-day activities required to sustain continued business functioning.
- 9.3.12.FN.12 Access, evaluate and disseminate financial information to enhance financial decision-making processes.
- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.

### Suggested Activities/Modifications

*Below is a list of suggested activities, modifications, accommodations, and enrichment opportunities. This includes, but is not limited to,:*

1. Activities
  - a. Issuing bonds and bond interest transactions (Exercise 22.1, 22.2, 22.3, 22.4, Problem 22.1A)
  - b. Issuing bonds at a discount, bond interest transactions and amortization of discount (Problem 22.2A)
  - c. Issuing bonds at a premium, bond interest transactions and amortization of premium (Problem 22.3A)
2. English Language Learners.
  - a. Students may use a bilingual dictionary.

- b. Read written instructions.
  - c. Students may be provided with note organizers / study guides to reinforce key topics.
  - d. Provide modified assessments when necessary.
  - e. Student may complete assessments in alternate setting when requested.
  - f. Highlight key vocabulary
  - g. Essential Vocabulary Journal
  - h. Modeling of Calculations & Accounting Procedures
  - i. Financing through bonds Discussion Questions
3. Special Education/504 Students
- a. Pair visual prompts with verbal presentations
  - b. Ask students to restate information, directions, and assignments.
  - c. Repetition and practice
  - d. Model skills / techniques to be mastered.
  - e. Extended time to complete class work
  - f. Provide copy of classnotes
  - g. Student may request to use a computer to complete assignments.
  - h. Establish expectations for correct spelling on assignments.
  - i. Extra textbooks for home.
  - j. Assign a peer helper in the class setting.
  - k. Provide oral reminders and check student work during independent work time.
  - l. Encourage student to proofread assignments and tests
  - m. Student requires use of other assistive technology device
  - n. Modifications in accordance with individual students' 504 plans and IEP's
  - o. Students may be provided with note organizers / study guides to reinforce key topics.
  - p. Extended time on assessments when needed.
  - q. Preferred seating to be determined by student and teacher
  - r. Provide modified assessments when necessary.
  - s. Student may complete assessments in alternate setting when requested
  - t. Establish a non-verbal cue to redirect student when not on task.
  - u. Maintain strong teacher / parent communication
  - v. Reduced case and statement analysis
  - w. Financing through bonds Discussion Questions
4. Gifted and Talented Students.
- a. Students will be afforded the opportunity to locate current events, beyond the scope discussed in class, that are relevant to the class lessons in order to peer teach and share.

- b. Authentic listening and reading sources that provide data and support for speaking and writing prompts.
- c. Provide enrichment activities to expand upon the curriculum.
  
- d. Use higher level questioning techniques in class and on assessments.
- e. Financing Decisions Case Analysis (Critical Thinking Problem 22.2A)



## V. Course Materials

1. Textbook College Accounting, 13th Ed. ISBN: 978-0-07-802527-3 McGraw-Hill Irwin 2012
2. Study Guide & Working Papers College Accounting, 13th Ed. ISBN: 978-0-07-743058-0 McGraw-Hill Irwin 2012
3. Computers, QuickBooks Software, Stock Market Game, Yahoo Finance, Google Finance
4. Basic Function Calculators
5. Videos: “Enron: The Smartest Guys in the Room”, “Inside Job”

## VI. Assessments

1. Quizzes
2. Student response
3. Classroom exercises
4. Textbook problems
5. Chapter Tests
6. Homework
7. QuickBooks problems
8. Mini Practice Set: Merchandising Business Accounting Cycle (QuickBooks)
9. Stock Market Game Simulation Challenge
10. InvestWrite Competition
11. Midterm
12. Final

## VII. Cross Curricular Aspects

1. Have students use their knowledge of persuasive writing to write a formal memo to the President convincing him or her of the financial strength of a corporation and providing supporting evidence from data compiled using QuickBooks software.
2. Have students use their understanding of the decisions involved in creating and managing a restaurant to produce a Profit & Loss statement for the first 3 years of operations for a new restaurant. (Analysis will be based upon estimates of all necessary revenue and expenses )
3. Have students utilize their understanding of mathematics to conduct financial ratio analysis in evaluating stock selections