

Student Name \_\_\_\_\_ Instructor Name \_\_\_\_\_

High School or Vocational Center \_\_\_\_\_ Grade \_\_\_\_\_

**COMPETENCY RECORD FOR ARTICULATION**  
**Muskegon Community College**  
**Business Services and Technology**

Please check below each skill the student has mastered as described, with 80 percent accuracy, or with an A or B grade. The skills needed for articulation of each course are listed.

**BUS 101**  
**PRINCIPLES OF ACCOUNTING I**  
**4 Credit Hours**

Task	Satisfactory	Unsatisfactory
Define accounting and discuss its functions		
Explain the relationship between accounting and different forms of business enterprises		
List the primary users of accounting information		
State why ethical behavior is an essential responsibility of an accountant		
Describe the work of accountants		
Explain which professional groups help set accounting standards		
Explain the balance sheet		
Explain the income statement		
Explain the retained earnings statement/Statement of Owner's Equity		
Explain the statement of cash flows		
Describe the relationship among the financial statements		
Discuss the accounting concepts and conventions on which financial statements are based, and be able to explain why they are important		
Define the main elements of a classified balance sheet, and be able to prepare one		
Explain the uses and limitations of a classified balance sheet		
Define the main elements of a classified income statement, and be able to prepare one		
Explain the uses and limitations of a classified income statement		
Be able to prepare the retained earnings statement and the statement of owners equity, and discuss their uses and limitations		

<b>Task</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Explain the uses and limitations of the statement of cash flows		
Discuss the uses of other financial data in the annual report		
State the four possible categories that may be found on a corporate income statement and prepare a simple corporate income statement		
Define fraudulent and questionable financial reporting and give examples		
Explain the financial reporting system for a public company		
Describe the internal control framework and explain the elements of an internal control structure		
Describe management's role in preventing fraudulent financial reporting		
Explain the purposes of professional codes of ethics, or conduct, and describe these codes for various professional accounting organizations		
Explain how accounting functions as an information system		
Describe the characteristics of information admitted to the accounting system		
Explain the effects of transactions on the accounting equation		
Detail the components of the accounting system		
Record balance sheet transactions in the journal and ledger		
Prepare a trial balance and describe its uses and limitations		
Describe how accountants measure income including its components: revenues and expenses, gains and losses, and net income		
Explain the major concepts in determining net income		
Distinguish between the accrual bases and the cash basis accounting		
Describe the revenue recognition principle and identify the different points in the earnings cycle at which revenue can be recognized		
Record income statement transactions		
Describe the relationship between the balance sheet, the income statement, and the retained earnings statement		
Explain what adjusting entries are and why they are necessary		
Describe the major categories of adjusting entries and be able to make these entries		
Complete the accounting cycle		
Prepare a classified balance sheet and income statement		
State the recognition and measurement issues involved in accounting for sales transactions		

Task	Satisfactory	Unsatisfactory
Explain the nature of uncollectible accounts and the accounting concepts and practices related to the allowance method of accounting for uncollectible accounts, including the percentage-of-net-sales method and the aging method		
Evaluate management controls over receivables		
Explain the classifications of cash and receivables on the balance sheet		
List other types of revenues generated from operations		
Define liabilities and state the criteria used to recognize, measure, and value them		
Explain the accounting concepts related to existing liabilities whose amounts are known with some certainty, and contingent liabilities		
Explain the accounting issues related to payables arising from operations, including:		
<ul style="list-style-type: none"> <li>▪ The purchase of inventories for resale</li> </ul>		
<ul style="list-style-type: none"> <li>▪ The purchase of employee services including fringe and retirement benefits</li> </ul>		
<ul style="list-style-type: none"> <li>▪ Other accrued liabilities related to operations</li> </ul>		
<ul style="list-style-type: none"> <li>▪ The incurrence of income taxes</li> </ul>		
Explain the special issues involved in recording inventory transactions:		
<ul style="list-style-type: none"> <li>▪ The perpetual and periodic inventory systems</li> </ul>		
<ul style="list-style-type: none"> <li>▪ Taking a physical inventory</li> </ul>		
<ul style="list-style-type: none"> <li>▪ Goods in transit</li> </ul>		
<ul style="list-style-type: none"> <li>▪ Goods on consignment</li> </ul>		
State how liabilities are presented on a typical balance sheet		
Explain the relationship between inventories and income determination		
Determine the cost of ending inventories using FIFO, LIFO, Weighted Average Cost, and Specific Identification for periodic inventory system		
Explain the factors that management considers in selecting among generally accepted accounting principles		
Apply the lower-of-cost-or-market rule as it relates to inventories		
Use inventory data in decision making		
Apply the three main methods of attaching costs to the ending inventory using the perpetual inventory system (FIFO, LIFO, Moving Average)		
Explain the accounting concepts and issues related to noncurrent, nonmonetary assets		

Task	Satisfactory	Unsatisfactory
Discuss the importance of differentiating between capital and revenue expenditures		
Measure and record the acquisition cost of property, plant and equipment		
Explain the accounting concepts of depreciation		
Compute periodic depreciation expenses under each of the following methods:		
<ul style="list-style-type: none"> <li>▪ Straight-line method</li> </ul>		
<ul style="list-style-type: none"> <li>▪ Units-of-product method</li> </ul>		
Identify depreciation problems relating to partial-year depreciation, revision of depreciate rates, and the effect of inflation		
Account for subsequent expenditures related to plant and equipment		
Account for disposal of assets		
Describe the accounting concepts related intangible assests and their amortization		
Recognize issues under consideration regarding accounting for impairment of operational assests and understand that differences exist among countries in accepted methods of accounting for operational assets		
Use present value concepts to measure long-term liabilities		
Account for long-term liabilities, including notes payable, mortgage payable, and lease obligations		
Account for bonds, including original issuance, the payment of interest, and the retirement of bonds		
Amortize bond discounts and bond premiums using the effective interest method		

Instructor's Signature \_\_\_\_\_ Date \_\_\_\_\_