NOCTI CTE®

Measuring What Matters in

Job Ready Assessment Blueprint

Accounting-Advanced

Test Code: 4900 / Version: 01

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General Assessment Information

Blueprint Contents

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Test Type: The Accounting-Advanced assessment is included in NOCTI's Job Ready assessment battery. Job Ready assessments measure technical skills at the occupational level and include items which gauge factual and theoretical knowledge. Job Ready assessments typically offer both a written and performance component and can be used at the secondary and post-secondary levels. Job Ready assessments can be delivered in an online or paper/pencil format.

Revision Team: The assessment content is based on input from secondary, post-secondary, and business/industry representatives from the states of Georgia, Maryland, Michigan, Missouri, Pennsylvania, South Carolina, Tennessee, and Virginia.

CIP Code

52.0302- Accounting Technology/Technician and Bookkeeping

Learning that works for America CTE™

Career Cluster 4- Business, Management, and Administration

o*net™ in*it

43-3031.00- Bookkeeping, Accounting, and Auditing Clerks

Association for Career and Technical Education ACTE www.acteonline.org

The Association for Career and Technical Education (ACTE), the leading professional organization for career and technical educators, commends all students who participate in career and technical education programs and choose to validate their educational attainment through rigorous technical assessments. In taking this assessment you demonstrate to your school, your parents and guardians, your future employers and yourself that you understand the concepts and knowledge needed to succeed in the workplace. Good Luck!

NATIONAL COLLEGE CREDIT RECOMMENDATION SERVICE
University of the State of New York - Regents Research Fund

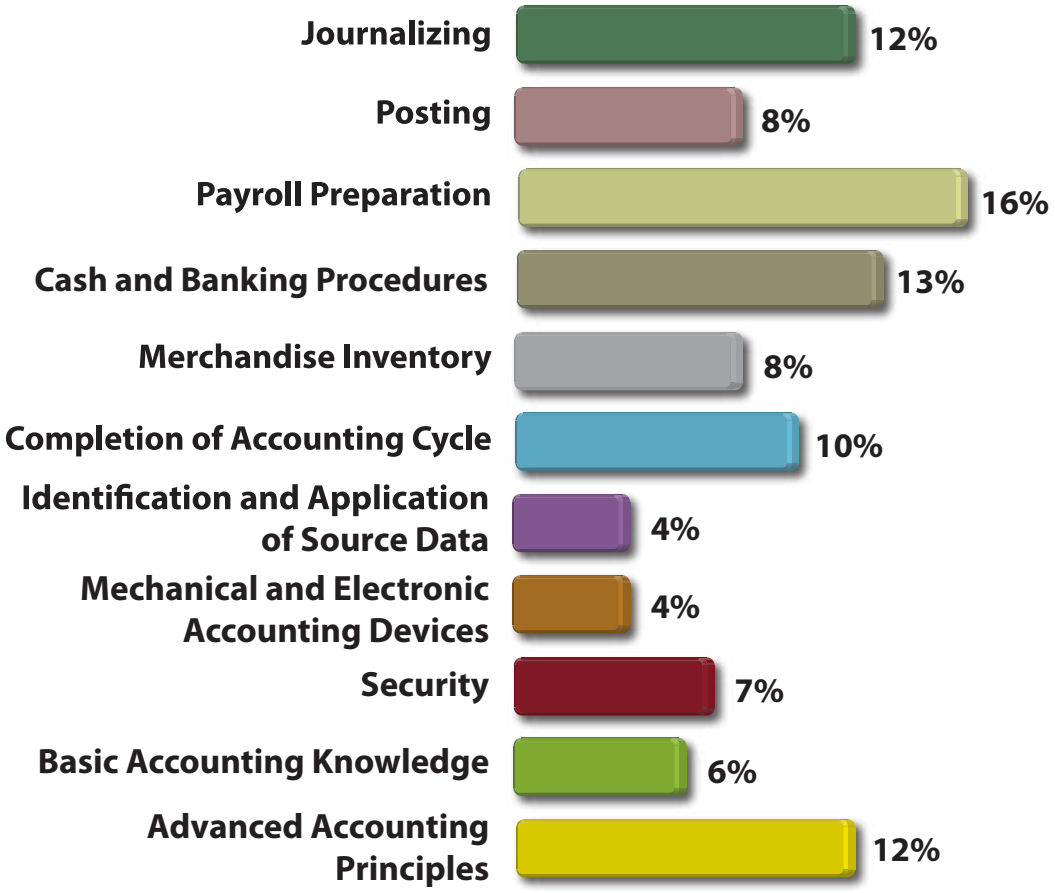
In the lower division baccalaureate/associate degree category, 3 semester hours in Accounting

Written Assessment

NOCTI written assessments consist of questions to measure an individual's factual theoretical knowledge.

Administration Time: 3 hours
Number of Questions: 225
Number of Sessions: This assessment may be administered in one, two, or three sessions.

Areas Covered



Specific Competencies and Skills Tested in this Assessment

Journalizing

- Journalize an opening entry
- Interpret information contained in source documents
- Follow principles of double-entry bookkeeping in the journalizing process
- Record entries in special journals
- Total and post special journals
- Adjust for bad debts using direct write-off or allowance methods
- Analyze transactions involving owners' equity

Posting

- Post from special journals to general and subsidiary ledger accounts
- Demonstrate understanding of multicolumn ledgers
- Demonstrate familiarity with computerized posting methods
- Use appropriate posting references
- Prove accuracy of posting to ensure entries are in balance

Payroll Preparation

- Calculate employee earnings
- Enter payroll data in a payroll earnings record
- Demonstrate familiarity with electronic payroll data entry
- Complete a payroll register
- Prepare a payroll check and check stub with appropriate information
- Record information found on W-4 forms in employee data section
- Calculate appropriate employee payroll taxes
- Calculate appropriate employer payroll tax liabilities
- Determine appropriate deposit dates, documentation, and prepare quarterly state and federal tax forms
- Journalize payroll entries at end of earnings period in appropriate journals

(Continued on the following page)

Specific Competencies and Skills (continued)

Cash and Banking Procedures

- Complete check stubs and checks
- Enter appropriate data on a deposit slip
- Reconcile a bank statement
- Follow up on outstanding checks, including voiding and/or reissuing checks
- Demonstrate familiarity with online and electronic banking procedures
- Exhibit understanding of credit cards and/or debit cards
- Manage multiple bank accounts and transactions
- Reconcile and replenish petty cash funds

Merchandise Inventory

- Demonstrate knowledge of a merchandise inventory account
- Analyze effects on accounts by the purchase of merchandise
- Calculate the cost of merchandise sold
- Prepare adjusting entries based on physical inventory
- Calculate for obsolete or a shrinkage of inventory

Completion of Accounting Cycle

- Complete 8 or 10 column worksheets
- Prepare the needed financial statements from a completed worksheet
- Verify the financial statements against the worksheet for accuracy
- Record and post adjusting and closing entries
- Locate and correct accounting errors
- Prepare post-closing trial balance from general ledger

Identification and Application of Source Data

- Identify and locate appropriate business forms used in bookkeeping and/or accounting
- Apply procedures for using electronic data for various bookkeeping and/or accounting purposes

(Continued on the following page)

Specific Competencies and Skills (continued)

Mechanical and Electronic Accounting Devices

- Demonstrate ability to use calculator, adding machine, and computer
- Generate and interpret charts and graphs
- Generate and interpret spreadsheets

Security

- Exhibit familiarity with the internal controls for sensitive source documents
- Exhibit familiarity with the internal controls for e-commerce
- Exhibit familiarity with internal control for the protection of company assets
- Exhibit familiarity with confidentiality and ethics

Basic Accounting Knowledge

- Exhibit understanding of terminology relating to accounting
- Exhibit understanding of careers in accounting
- Exhibit understanding of regulatory bodies

Advanced Accounting Practices

- Exhibit understanding of cash or accrual accounting
- Differentiate between proprietorship, partnership, corporation, and departmental accounting procedures
- Record accounting entries for installment payment systems
- Calculate the amount of uncollectable accounts through aging of accounts receivable
- Exhibit understanding of stocks, declarations, and payment of dividends
- Calculate and record depreciation and amortization
- Calculate and analyze financial ratios

Sample Questions

A cash discount entry is based on

A. invoice terms
B. vendor relationships
C. purchase volume
D. a trade reduction

Posting is a process whereby

A. account titles are copied from a chart of accounts to a ledger
B. debits and credits are copied from a journal to a ledger
C. general purpose financial statements are published
D. account balances are carried to a trial balance

Using an electronic data interchange format, employers can now file

A. Coupon 8906
B. vouchers
C. seasonal payments
D. Form 941

The original deposit ticket

A. accompanies the money to the bank
B. stays with the company's records
C. is mailed to the bank after the deposit is made
D. remains in the ledger

A purchase of merchandise on account

A. decreases an asset
B. decreases a liability
C. increases a liability
D. increases an expense

(Continued on the following page)

Sample Questions (continued)

Bill started his business by investing $5,000 cash and computer equipment valued at $3,500. The balance in capital is

A. $3,000
B. $3,500
C. $5,000
D. $8,500

A summary of an employee's payroll data is maintained in a/an

A. payroll requisition
B. employee's W-4 form
C. payroll journal
D. employee's earnings records

An inventory method that shows a change in the amounts on hand as the changes occur is called a _____ inventory.

A. physical
B. perpetual
C. merchandise control
D. sales

In automated accounting, an audit trail

A. ensures accuracy of processed information
B. is generated on a yearly basis
C. is always on a CD or disk
D. corrects the data

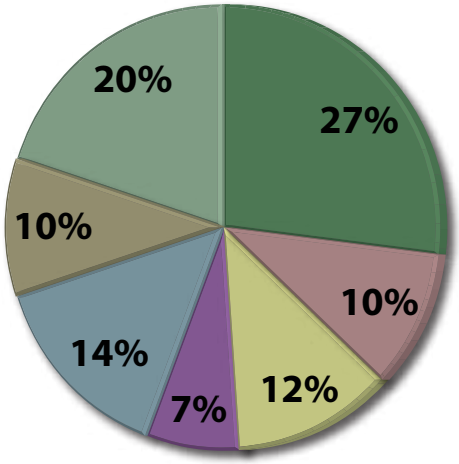
The declaration of a cash dividend is recorded as a

A. debit to Retained Earnings and a credit to Dividends Payable
B. credit to Stock Dividends and a debit to Owner's Equity
C. debit to Stock Dividends and a credit to Owner's Equity
D. credit to Retained Earnings and a debit to Dividends Payable

Performance Assessment

NOCTI performance assessments allow individuals to demonstrate their acquired skills by completing actual jobs using the tools, materials, machines, and equipment related to the technical area.

Administration Time: 3 hours and 15 minutes
Number of Jobs: 7



Areas Covered:

27% Journal Entries
Participants will fill out multiple forms legibly.

10% Posting Verification
Participants will schedule accounts receivable, and make a trial balance legibly.

12% Payroll
Participants will compute net pay for multiple employees and complete the payroll register legibly.

7% Complete Worksheet
Participants will complete worksheet legibly.

14% Financial Statements
Participants will complete an income statement, balance sheet, and statement of owner's equity correctly and legibly.

10% Ratio and Partial Horizontal Analysis
Participants will complete partial horizontal analysis, working capital, current ratio, and acid-test.

20% Advanced Journal Entries
Participants will complete multiple entries legibly and timely.

Sample Job

Posting Verification

Maximum Time: 15 minutes

Participant Activity: The participant will be asked to prepare a schedule of accounts receivable and trial balance.