

## INSIDE

2008–2009 Officers .....2

Message from the Chair....3

Small Business Accounting Software and more.....4

Human Bank Reconciliation.....5

AAACommons: A Gathering Place for Accounting .....6

Meet a Member.....8

Conference on Teaching and Learning in Accounting (CTLA) .....9

### Fall Newsletter Deadline

The deadline for material to be included in the Fall 2009 issue is September 1, 2009. Please send all information to me at the address below for delivery no later than that date to ensure the timeliness of the issue.

**Barbara Thomas**  
 East West University  
 816 S. Michigan Ave.  
 Chicago, IL 60605  
[thomas@eastwest.edu](mailto:thomas@eastwest.edu)

Two Year College  
 A Section of the  
 American Accounting Association  
*Communicator* Published Biannually  
 American Accounting Association  
 5717 Bessie Drive  
 Sarasota, FL 34233-2399  
<http://aaahq.org>

## AAA President's Message: The Accounting Academy at a Tipping Point: Renewal or Decline?



Sue Haka,  
 Michigan State University

At the 2008 Annual Meeting of the American Accounting Association in Anaheim California, I spoke with section members about the opportunities and threats facing the accounting academy and how we are at a sort of tipping point-- a point where, with the right push, the academic community could rejuvenate and renew itself, but without some effort, the accounting academy may fall into further decline.

### Current Status of the Accounting Academic Community

The decline of the accounting academy is documented in a AAA /AICPA co-sponsored study<sup>1</sup> that reveals the disturbing current state of U.S. accounting faculty. David Leslie, the Chancellor Professor of Education at College of William and Mary, completed the study using the National Survey of Post Secondary Faculty data base. This data base is maintained by the U.S. Department of Education. The survey is compiled every five years and includes U.S. faculty in all disciplines. Professor Leslie's results show that the number of full time U.S. accounting faculty at all types of institutions (2-year, 4-year, and PhD granting) has declined by over 13 percent in the last ten years (see table).

Table 3: Number of all accounting faculty at all types of institutions (including 2-year) by tenure status, and percent change from 1993 to 2004.

|              | 1993   | 1999   | 2004   | % Change |
|--------------|--------|--------|--------|----------|
| Tenured      | 5,825  | 4,900  | 4,779  | -18.0%   |
| On-Track     | 2,384  | 1,400  | 1,909  | -19.9%   |
| Not Eligible | 12,112 | 11,100 | 10,922 | -9.8%    |
| Total        | 20,321 | 17,400 | 17,610 | -13.3%   |

<sup>1</sup>Study can be accessed at <http://aaahq.org/temp/phd/AccountingFacultyUSCollegesUniv.pdf>.

During this same period, recent AICPA results show the number of accounting undergraduates has increased by more than 12 percent.<sup>2</sup> For other disciplines in business schools, Leslie's study shows faculty numbers have increased by about 20 percent. It appears that faculty positions are migrating out of accounting and into other disciplines.

### The Challenges We Face

In addition to these current demographics, the future outlook is even more disturbing. The average age of current accounting faculty is 57 implying half of current faculty members are eligible to retire within the next five to ten years. Leslie reports that U.S. institutions historically graduate between 140-150 accounting PhDs per year, but the number of expected faculty retirements is projected at 500 per year for the next ten years. The evidence suggests that without an investment in future accounting faculty, accounting may eventually disappear from the academy.

### Hope for the Future

However, I am not discouraged because current global trends create a dynamic and interesting atmosphere for the accounting academy. The increasing global focus on accounting issues emphasizes the importance of accounting. Further, the world-wide demand for accountability and changing technological capabilities are the very trends that are attracting record numbers of students to accounting.

The challenge to the accounting academic community and to all those who believe that accounting has a place in the academy is to leverage the current world-wide interest in accounting as a means to attract future faculty. In my conversations with academic

*Continued on Page 2...*

<sup>2</sup> Sanders, B. 2005. *The Supply of Accounting Graduates and the Demand for Public Accounting Recruits - 2005. For Academic Year 2003-2004.* New York, NY: American Institute of Certified Public Accountants. Available at: [http://ceoe.aicpa.org/NR/rdonlyres/11715FC6-FOA7-4AD6-8D28-6285CBE77315/0/Supply\\_DemandReport\\_2005.pdf](http://ceoe.aicpa.org/NR/rdonlyres/11715FC6-FOA7-4AD6-8D28-6285CBE77315/0/Supply_DemandReport_2005.pdf).

"Tipping Point" continued from Page 1...

accountants, I encourage them to explain to their students the benefits of an academic life; the joys of teaching and the exhilaration that comes from investigating the role of accounting in society. These are the makings for a wonderful life's pursuit. Some evidence exists that formal efforts to inform current students about academic accounting careers are being integrated into curricula across the country. Will your institution join in that effort?

### **Tipping Toward Renewal**

If the accounting academy, working professional accountants, those that hire accounting graduates, and others that care about accounting education work together we can tip the academy toward renewal. Evidence that efforts toward renewal have begun to exist. The big four firms, the AICPA, and state societies have created a large pool of funds (Accounting Doctoral Scholars Programs; <http://www.adsphd.org/>) to provide financial support for new doctoral students. The AAA has a strategy to increase its members and advocate for doctoral education. Even the U.S. government through the activities of the Treasury Department has recognized the need for vibrant accounting university-based education.

Renewal of the accounting academy will ensure that accounting retains its position as a highly demanded, vibrant academic discipline. We are all responsible for the future of the accounting academy. Perhaps you can convince one or two of your students or friends to consider enrolling in a doctoral program or to pursue an academic career in accounting? If we all work together, we can reverse the documented decline in the accounting academy and tip toward a healthier future for accounting faculty and their students.

---

## **Two Year College Section**

### **2008–2009 Officers and Board Members**

#### **Officers**

President  
Vice Chairperson  
Secretary/Editor

Linda Hayden Tarrago  
Tracie Nobles  
Barbara Thomas

Hillsborough Community College  
Austin Community College  
East West University

#### **Council Representative**

Linda Hayden Tarrago

Hillsborough Community College

#### **Coordinator of Regional Representatives/Officer-at-Large**

Christine Kloezeman

Glendale Community College

---

### **A Message from the Editor**

Happy Spring! The *Communicator* has been on a 2 year hiatus! We are excited about bringing it back and increasing the level of communication and participation in the Two Year College Section. I work at a small, not-for-profit private liberal arts university in the Chicago South Loop. East-West University believes that there will always be a need for colleges and universities which offer relevant, diversified and attractive academic programs at convenient times and places. We employ effective modes of educational delivery and adopt a policy of low tuition and opportunities to seek financial aid. In the past 2 years the number of transfer students at our institution has roughly tripled. About 1/3 of our transfer students come from community colleges. We must all work together to ensure that our students have the skills they desire when they graduate! Please consider writing an article for our Fall newsletter. The deadline for submissions is 9/1/09. Feel free to contact me at [thomas@eastwest.edu](mailto:thomas@eastwest.edu) or 312-939-0111x2308.

Barbara Thomas, CPA  
East-West University

# Message from the Chair

In the past year and for years to come, two-year colleges will be playing an increasingly greater role in the educational and business communities. The uncertainty of the world's economy, changes at universities and colleges, business professionals seeking to enter the educational arena, and a renewed emphasis on teaching strategies are all opportunities for us.

First, economic uncertainty, such as the world is now experiencing, invariably results in an increase in students flocking to our campuses in hopes of obtaining skills to help them survive and succeed. Lay-offs, bail-outs, and bankruptcies are plaguing American society, and higher education is one means of helping people deal with such events. Many of these displaced workers are not able to spend four years working toward another degree. They need to support themselves and their families. Offering certificate programs and two-year professional programs provide the training, education, and time efficiency these students desire.

Second, changes in admission standards and rising tuition rates at many universities and colleges are prompting more students to opt to attend two-year colleges first. In the future our colleges will face a record number of students. Administrations will continue to encourage increases in on-line offerings and increased class sizes as their budgets decline while student numbers increase. As educators we must refine our hybrid and on-line classes to ensure that students are receiving a quality education. In addition, increasing numbers of students in the classroom will require changes in our traditional classroom management methods.

Third, with the high-stress corporate environment, more and more professionals are choosing early retirement and leaving corporate America as they seek a place in academia. While these professionals possess tremendous practical experience and the required degrees, many are ill-equipped to enter the classroom environment. As veteran educators it is up to us to share our knowledge and mentor these professionals as they strive to become professional educators.

Finally, at last year's AAA Annual meeting in Anaheim, the AAA leadership stated that there needs to be a renewed emphasis on teaching. In the past much of the emphasis of the AAA had centered on research. However, there is now an interest in improving teaching methods in addition to researching accounting-related business issues. Based on the conversations of this past meeting, the two-year college faculty is set to become an invaluable asset to the AAA. We spend much of our time developing and honing our teaching skills, so we must now be prepared to share them.

The times ahead are exciting ones for those of us in two-year colleges. Please remember to visit the AAA Commons Two-Year College hive. Also at the spring AAA Council meeting, the membership dues for two-year college faculty will be \$50 per year beginning in 2010. The AAA has heard our concerns about limited College funding and understands that our compensation is much less than university professors. The AAA values our membership and is taking strides to make it more affordable.

I look forward to seeing you in New York. Or, if you are unable to attend, I'll meet you in the AAACommons.

All the best in 2009,

Linda H. Tarrago, Chair  
Two-Year College Section

# Small Business Accounting Software and more...

Carol Yacht, [carol@carolyacht.com](mailto:carol@carolyacht.com)  
[www.mhhe.com/yacht](http://www.mhhe.com/yacht)

There are three popular small business accounting software applications: QuickBooks, Peachtree, and Microsoft Office Accounting. The following questions are addressed in this article.

1. What similarities and differences are there between QuickBooks, Peachtree and MS Office Accounting?
2. How many users are there for each software program?
3. When could they be used in accounting courses?
4. What is the accounting software hierarchy?

## SIMILARITIES AND DIFFERENCES

Each software application produces similar accounting results. The big difference is how much data can be recorded, how the application processes that information, and what features are included. For example, integration with Access can be completed using tools that are available within MS Office Accounting; this is not the case with Peachtree or QuickBooks. Another example is that QuickBooks and Peachtree include Excel integration but do not include Pivot Tables. Microsoft Office Accounting does.

Since all programs use databases for organization, the differences between the software applications are mostly cosmetic not structural. Cosmetic differences include the look of the user interface. Peachtree and MS Office Accounting use a Navigation Bar, similar to how other Microsoft applications look; for example, Navigation Bars appear on the left side of Outlook and Dynamics GP (formerly Great Plains). The selections are different but the user interface has a similar layout. QuickBooks uses Centers for vendors, customers, employees, company, and banking.

An important similarity is that in Peachtree, Office Accounting, and QuickBooks data is organized by module – customers (AR), vendors (AP), Banking (GL), etc.

| Features  | Peachtree   | MS Office Accounting                        | QuickBooks                                  |
|---|---|---|---|
| <b>Modules</b><br>Customers<br>Vendors<br>Employees<br>Banking          | Navigation Bar  | Navigation Bar                              | Centers                                     |
| Inventory   | LIFO, FIFO, Average   | LIFO, FIFO, Average                         | Average                                     |
| <b>Periods</b>  | Select period/fiscal year/reports reflect period  | Select year/current date default            | Current date default/lists all periods      |
| <b>Journals</b>   | <b>GL:</b> General Journal<br><b>A/P:</b> Purchase and Cash Disbursements Journal<br><b>A/R:</b> Sales and Cash Receipts Journals<br><b>Inventory:</b> Costs of Goods Sold Journal<br><b>Payroll:</b> Payroll Journal | One transaction journal; includes filtering | One transaction journal; includes filtering |
| <b>General Ledger/<br/>Subsidiary Ledgers/<br/>Financial Statements</b> | YES   | YES   | YES   |
| <b>Fixed Assets<br/>Depreciation</b>                                    | FAS, CD2  | YES   | NO  |
| <b>Excel Integration</b>  | YES   | YES   | YES   |
| <b>Pivot Tables</b>   | NO  | YES   | NO  |
| <b>Access Integration</b>   | NO  | YES   | NO  |
| <b>COST: Students</b>   | FREE  | 120 day trial version                       | 140 day trial version                       |
| <b>COST: School</b>   | FREE  | FREE MSDN version                           | QuickBooks Site License Fee*                |

\*[http://quickbooks.intuit.com/product/training/students\\_educators.jsp](http://quickbooks.intuit.com/product/training/students_educators.jsp).

---

# The Human Bank Reconciliation

Tracie L. Nobles, CPA, Austin Community College

Do you ever have a problem with teaching bank reconciliations?

This activity is a great visual and tangible review of bank reconciliations because it allows students to “become” the bank reconciliation. The use of manipulatives increases students’ understanding of bank reconciliations and provides a way for visual and kinesthetic learners to experience the bank reconciliation in a style that meets their learning needs.

In this activity the students will be provided a bank reconciliation problem that they will answer by creating a “human bank reconciliation”. Ten students will be handed an activity card for each transaction affecting the bank reconciliation. A student will also be appointed as the accountant. The students with activity cards will be asked to come to the front of the room to make the bank reconciliation. The human bank reconciliation will be formed by having the students stand with their cards in the correct place at the front of the room. After the bank reconciliation has been created, the accountant will confirm that the reconciliation is correct. The students will then form groups to discuss the objectives of a bank reconciliation, to answer questions pertaining to the transactions, and also to prepare the adjusting entries.

Please visit: [www.austincc.edu/tnobles/bankrec](http://www.austincc.edu/tnobles/bankrec) for a word document with activity cards and bank reconciliation problem and questions.

## Bank Reconciliation Problem

Kelly Company’s general ledger shows a checking account balance of \$24,665 on September 30, 2008. The September cash receipts of \$2,285, included in the general ledger balance, are placed in the night depository at the bank on September 30 and processed by the bank on October 1. The bank statement dated September 30 shows bank service charges of \$95. The bank processes all check written by the company by September 30 and lists them on the bank statement, except for two checks: Check #389, \$1,000 and Check #403, \$860. In comparing the record of checks written to those on the bank statement an error was found related to Check #404 for rent. Check #404 was written for \$3,100, but the Kelly Company’s accountant recorded it incorrectly as \$1,300. The bank statement also shows that interest of \$20 was earned by Kelly Company on its bank account and a debit card purchase, not recorded by the company, was made for the purchase of office supplies, \$200. There was one NSF check in the amount of \$735. The bank statement shows a balance of \$21,430 on September 30.

## Pre-Steps for Classroom Activity

1. Prepare activity cards. You will need to prepare a separate activity card for each of the following items: Cash Balance in Company, \$24,665; Deposits in transit, \$2,285; Bank Service Charges, \$95; Check Outstanding, #389, \$1,000; Check Outstanding, #403, \$860; Error, \$???; Interest earned, \$20; Debit card purchase, \$200; NSF Check, \$735; Cash Balance in Bank, \$21,430.
2. Make copies of bank reconciliation problem and questions.
3. Obtain tape to use in class activity

## Steps for Classroom Activity

1. Pass out bank reconciliation problem for students to review.
  2. Pass out activity cards to 10 students. Have one student volunteer to be the Kelly Company accountant.
  3. Have students with activity cards come to the front of the room and create a human bank reconciliation by taping the cards to the wall or chalkboard.
  4. Once students with activity cards have created the human bank reconciliation have the student accountant, confirm that the bank reconciliation is correct.
  5. With activity card students and remaining students in your class, create groups for each activity card. (There should be a total of 10 groups.) Have each group answer the following questions:
    - a. What is a bank reconciliation? How can it help in the control of cash?
    - b. For your activity card, identify if the transaction is a timing difference or error.
    - c. For your activity card, indicate why the transaction was recorded the way it was. Make sure to explain the reason.
    - d. Of all the transactions discussed in this problem which transactions require an adjusting entry? Why?
    - e. Prepare the entries needed to adjust the company’s cash balance for Kelly Company.
  6. After each group has completed the questions, have each group report back to the main group on their answers.
  7. A closing review of bank reconciliations should then be completed by the professor.
-

# AAACommons: A Gathering Place for Accounting

Carol Yacht  
[carol@carolyacht.com](mailto:carol@carolyacht.com)

On December 12 and 13, 2008, I attended the AAA Commons Editorial Board Meeting at Arizona State University as a representative for the Two-Year College section. If you aren't familiar with AAA Commons, I hope you'll take a look. AAA Commons was launched at the 2008 annual meeting. Please go online to <http://aaahq.org> and link to

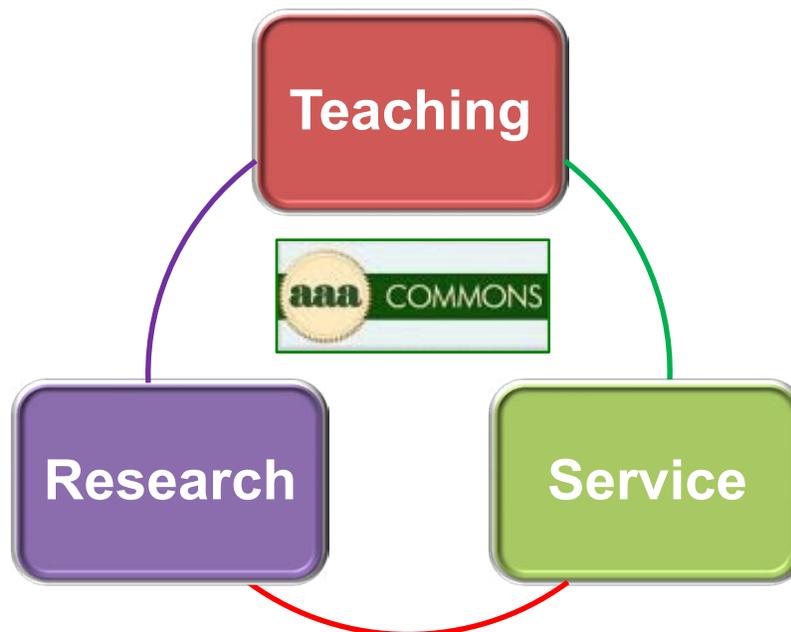


[Click Here to Visit AAACommons!](#)

If you haven't already done so, please sign up with your email address or AAA Username. Once on the site, take a look at **New User Support: Guide to Getting Started** or just surf. The first step is to Update Your Profile. Then, check out the IFRS space, respond to the weekly question, add something to Teacher2Teacher, create a research hive, and get help/give help at the User2User link.

## What is AAA Commons?

The Commons is a social networking platform that allows faculty to share ideas about teaching, research, and service.



The idea behind the AAA Commons is to provide a valuable platform for all AAA members. Take a look and participate.

Teaching three small business accounting software applications throughout the undergraduate curriculum provides your students with résumé-ready skills. For more advanced study, include Dynamics GP.

### USERS

There are 3.5 million QuickBooks users in the United States. QuickBooks is primarily used by individuals and small businesses with less than 3 employees. Accountants use QuickBooks to help clients with record keeping. According to Sage Software, there are 3 million Peachtree users in the United States and Canada. More than 5.8 million small and medium-sized businesses use Sage Software products worldwide (<http://sage.com/ourbusiness/aboutus>). Industries that use Peachtree include manufacturing; distribution; nonprofit organizations; construction; retail businesses; public utilities; legal, medical, and accounting firms.

Microsoft Office Accounting is included with Office Suite software so precise numbers are hard to come by. Microsoft's Office products are used by more than 400 million users worldwide. As of August 2008, there were 2.5 million downloads of Microsoft's Office Accounting application.

This looks like a horse race to me with QuickBooks in the lead by a nose, and Peachtree and MS Office Accounting in the place and show positions.

### ACCOUNTING COURSES

When should accounting software be used and which course is the best fit? Here are some suggestions for using software.

First Accounting Course: In the first accounting course (College Accounting; Financial Accounting or Principles), a GL software package, QuickBooks, or Peachtree could be used to complete end-of-chapter problems in the textbook.

Another strategy for the first accounting course is to complete a software project using QuickBooks or Peachtree. Second Semester Accounting Course: For the second semester accounting course (Managerial or Principles II), an Office Accounting project could be used.

Second Year: For Intermediate accounting, you could consider a MS Office Accounting or Dynamics GP project.

Computer Accounting: Focus on one software application and use a second application as a project. Or, consider three applications; for example, 5 weeks, QuickBooks; 5 weeks, Peachtree; 5 weeks MS Office Accounting. If using more than one software application, students could be required to write an essay comparing each software application used.

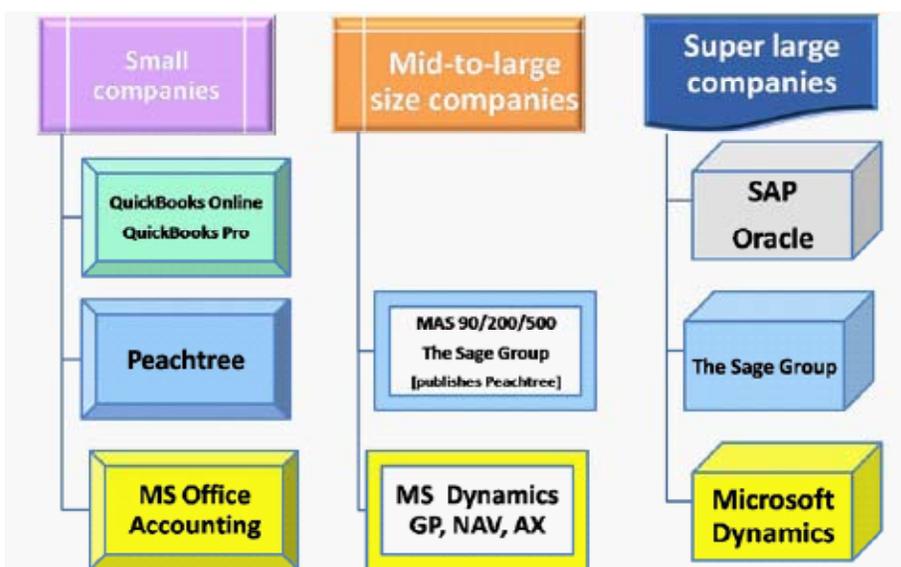
### ACCOUNTING SOFTWARE HIERARCHY

The accounting software hierarchy shows business software applications. Observe that the same companies provide software to various size businesses: Sage Software's Peachtree and MAS 90/200/500; and Microsoft's Office Accounting, Dynamics GP, Navision, and Axapta.

Worldwide, Sage and Microsoft share the accounting software market. Microsoft GP is typically used in English speaking areas (United States, United Kingdom, Australia, South Africa, Middle East, Asia, Canada, etc.). Navision and Axapta are available worldwide ([www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)). Sage's MAS 90/200/500 and other Sage Group applications are used around the world ([www.sage.com](http://www.sage.com)). Intuit's QuickBooks is primarily used in the United States.

By using software throughout the curriculum, accounting students enhance their abilities as potential users, designers, and evaluators of accounting systems. Ability with accounting technology has potential for entry-level jobs and career growth.

Carol Yacht is an accounting educator and textbook author. She can be reached at [carol@carolyacht.com](mailto:carol@carolyacht.com); [www.mhhe.com/yacht](http://www.mhhe.com/yacht).



#### Definitions:

Small companies: up to \$5 million in revenue

Mid-to-large size companies: \$5 Million to \$250 million in revenue

Super large companies: \$250 million and up in revenue

# Meet a Member



I joined the faculty of the business studies program at Landmark College in 2006 with a degree in business with a major in Accounting from Nichols College and an MBA from Franklin Pierce University in 2001. My work background has been primarily in small business generally in the guise of a General Ledger accountant. This background often-times allowed me to also get involved, often intimately, with other business disciplines involved with my employers. Invariably, because I worked for small, entrepreneurially oriented businesses, one of my responsibilities was translating “Accountingese” to non-Accounting individuals. This experience has, in hindsight, greatly influenced my approach in the classroom. I tend to break the element of a topic down into its simplest components, explain them, and then tie them back together. In 2002 I started teaching

as an adjunct professor at a local community college and, as a result, kept my eyes open for a full time position. In time, the position at Landmark opened up and I was happily offered the position. Landmark College has been in existence since 1985. Its founder was Dr. Charles Drake who, despite his own struggles with dyslexia, earned a bachelor’s degree in journalism from the University of Georgia, a master’s degree in divinity from Union Theological Seminary, and finally a doctorate in education from Harvard University. Landmark College makes every effort to find innovative teaching methods that best serve its student population. The pedagogical approach of the college’s faculty developed similarly to Universal Design Instruction (UDI). The overall objective of UDI is to develop those teaching practices which make the classroom accessible for all students. I can be reached at [RichardKreissle@Landmark.edu](mailto:RichardKreissle@Landmark.edu) or at 802-387-6893.

---

I use Kurzweil, a piece of assistive technology, in the classroom at Landmark College, the only two year college dedicated to teaching with learning disabilities (dyslexia and ADD/ADHD). It is an example of how, without a significant amount of additional preparation, the concept of Universal Design Instruction can be implemented using assistive technology.

Kurzweil is a digital text reader. Kurzweil, in its simplest form, allows for text to be read aloud. The text book is scanned to create a digitized copy of the text and the Kurzweil program is then able to read the text aloud to the student. Kurzweil clearly benefits individuals who have been diagnosed with dyslexia. Because one of the features of Kurzweil is a highlighting tool, active reading can be encouraged through the use of this program. It can also be used as a tool in the Accounting classroom to break down key components of an Accounting problem.

## **An Example of UDI – The Use of Kurzweil in the Accounting Classroom**

Take, as an example, a question involving creating the necessary journal entry to record uncollectible accounts using both ways of estimating these uncollectible accounts. A question along these lines might be:

Acme Company uses the allowance method of accounting for their uncollectible accounts. The balance of their Allowance for Doubtful Accounts, before adjustment, was a credit of \$1,500 for the month of June. After analyzing their Accounts Receivables, it was determined that \$2,500 was uncollectible for June. In addition, net credit sales were determined to be \$70,000. Journalize the entry that would be required if Acme used a) the analysis of receivables

*Continued on Page 10...*

# 2009 Conference on Teaching and Learning in Accounting

## Are you...

- Interested in the art of teaching accounting?
- New or experienced in teaching?
- A practitioner who'd like to become a faculty member?
- A person who would like to earn 16+ hours of CPE ?

If you answered yes to any of the above questions, we invite you to attend the 2009 Conference on Teaching and Learning in Accounting. Last summer's CTLA was a great success - so join us in 2009 for the AAA Annual Meeting in New York and on Saturday and Sunday August 1-2 for the CTLA. For the same cost as last year attend both the CTLA and the AAA Annual Meeting. The CTLA is especially for teaching focused faculty, new faculty, and practitioners who want to teach accounting. The CTLA surrounds the AAA Annual Meeting to offer teaching oriented CPE and an Insiders' Guide — a kind of "road map" — to sessions on teaching and curriculum related topics throughout the Annual Meeting program. It is part hands-on teaching clinic, part mentoring by master teachers, and part staying current on emerging topics in accounting!

## Registration Cost

CTLA and AAA Annual Meeting (40+ CPE) August 1-5.....\$740

Conference on Teaching and Learning in Accounting (16+CPE) August 1-2 only.....\$360

Space is limited so register early! Registration information for CTLA and the Annual Meeting is online at <http://aaahq.org/AM2009/registration.cfm>.

## Some of the highlights of CTLA on Saturday, August 1 include:

\* A choice of two workshops on Saturday morning:

1.) *The Master Class Workshop for Experienced Faculty* with G. Peter Wilson (Boston College) and David Cottrell (Brigham Young University)

2.) *The Workshop for New Teaching Faculty and Practitioners Interested in Teaching* with Cathleen Burns (University of Colorado, Boulder) and a Panel Discussion of experiences, insights, and advice with CTLA faculty.

\* Effective Teaching Practices Forum where master faculty discuss how they teach their accounting courses.

\* Craft of Teaching Accounting Sessions with over 20 sessions featuring how-to-teach tips and techniques for on campus, online, and hybrid courses, as well as accounting and technology hot topics.

## Two special CTLA CPEs on Sunday, August 2:

*Teaching with Technology* Morning CPE and *Preparing for Class* Afternoon CPE

## Annual Meeting Activities on Monday - Wednesday, August 3-5

CTLA participants use their Insiders' Guide to find sessions meeting their interests and needs throughout the Annual Meeting program and meet Wednesday afternoon for reflections on CTLA and a discussion of future plans to inspire and support this community.

Questions? Contact Deirdre Harris, AAA Member Relations and Marketing Manager, at [Deirdre@aaahq.org](mailto:Deirdre@aaahq.org) or 941-556-4119.

method for estimating uncollectible accounts and b) the percent of sales method (assume that 2.5% of receivables are deemed uncollectible).

Here we have a word problem loaded with figures and words and somehow the student is expected to create not one but two journal entries following the rules of debits and credits according to standard Accounting protocols.

I use four highlight colors in Kurzweil: Cyan, Magenta, Green and Yellow. At the start of any Accounting problem I first address what the problem is asking students to accomplish. In the example below I've highlighted these using three colors: Yellow to indicate the action and cyan and magenta to distinguish the two distinct journal entries.

Acme Company uses the allowance method of accounting for their uncollectible accounts. The balance of their Allowance for Doubtful Accounts, before adjustment, was a credit of \$1,500 for the month of June. After analyzing their Accounts Receivables, it was determined that \$2,500 was uncollectible for June. In addition, net credit sales were determined to be \$70,000. **Journalize** the entry that would be required if Acme used **a) the analysis of receivables** method for estimating uncollectible accounts and **b) the percent of sales method** (assume that 2.5% of receivables are deemed uncollectible).

Now that we've clearly defined the question you can ask students what information or data is available to complete the journal entry for the first method (the analysis of receivables)? After soliciting their answers, the question now appears as below:

Acme Company uses the allowance method of accounting for their uncollectible accounts. **The balance** of their **Allowance for Doubtful Accounts**, before adjustment, was a **credit** of **\$1,500** for the month of June. **After analyzing** their **Accounts Receivables**, it was determined that **\$2,500 was uncollectible** for June. In addition, net credit sales were determined to be \$70,000. **Journalize** the entry that would be required if Acme used **a) the analysis of receivables** method for estimating uncollectible accounts and **b) the percent of sales method** (assume that 2.5% of receivables are deemed uncollectible).

What's just occurred is only the key information necessary to complete the first journal entry has been highlighted using the same color, cyan, as was used when students were asked initially what the question was asking for. This ties in to the idea that to make effective use of Kurzweil *consistent* use of highlighting color is necessary. Once these additional parts of the question have been highlighted the analysis required to arrive at the values for the adjusting entry and then write out that journal entry can proceed.

A similar approach would be taken for the second method – the percent of sales. The question would then appear as:

Acme Company uses the allowance method of accounting for their uncollectible accounts. **The balance** of their **Allowance for Doubtful Accounts**, before adjustment, was a **credit** of **\$1,500** for the month of June. **After analyzing** their **Accounts Receivables**, it was determined that **\$2,500 was uncollectible** for June. In addition, **net credit sales** were determined to be **\$70,000**. **Journalize** the entry that would be required if Acme used **a) the analysis of receivables** method for estimating uncollectible accounts and **b) the percent of sales method** (assume that **2.5%** of **receivables** are **deemed uncollectible**).

Continued on Page 12...

# Accounting at a Tipping Point



**YOU CAN BE THE DIFFERENCE**

## American Accounting Association **2009 Annual Meeting and Conference on Teaching and Learning in Accounting**

**August 1–5  
New York, New York**

**<http://aaahq.org>**

---

### Be sure to check out the following TYC sessions at the Annual Meeting:

#### **Monday August 3, 2009 — 10:15 am-11:45 am**

1.35. The Role Community Colleges Play in the Accounting Profession  
Moderator: Carol Yacht, Textbook Author

Panelists:

Andrew Bailey, Grant Thornton LLP  
Susan V. Crosson, Santa Fe College  
Jim Maurer, Grant Thornton  
Gary Previts, Case Western Reserve University  
Dennis Reigle, AICPA

#### **Monday August 3, 2009 — 2:00 pm-3:30 pm**

2.32. VITA Program as a Stepping Stone to Enrolled Agent  
Moderator: Christine Kloezeman, Glendale Community College

Panelists:

Linda Tarrago, Hillsborough Community College

#### **Monday August 3, 2009 — 4:00 pm – 5:30 pm**

Two Year College Business Meeting  
Speaker: Nancy Bagranoff, AAA President-Elect

#### **Tuesday August 4, 2009 — 2:00 pm-3:30 pm**

5.40. But I Don't Want to Be an Accountant! Teaching Strategies for Non-accounting Majors  
Moderator: Christine Kloezeman, Glendale Community College

Panelists:

Tracie L Nobles, Austin Community College

#### **Wednesday August 5, 2009 — 4:00 pm-5:30 pm**

9.36. Publishing Opportunities for Professors at Two-Year Colleges  
Moderator: Markus Ahrens, St. Louis Community College - Meramec

Panelists:

Suzanne Oliver, University of West Florida

"Kurzweil" continued from Page 10...

Using the parts of the question that were newly highlighted in magenta the necessary analysis to arrive at the appropriate value for the adjusting entry can proceed. Note that the problem contains a total of 92 words. The highlighted words number 34. The amount of material that the student is required to focus in on has been reduced to just under two thirds.

For White Papers on the efficacy of Kurzweil as a learning tool you can go to the following web site:  
<http://www.kurzweiledu.com/research.aspx>.

---

American Accounting Association  
5717 Bessie Drive  
Sarasota, Florida 34233  
Office@aaahq.org  
Printed in the USA

|   |
|---|
| NONPROFIT ORG.<br>U.S. POSTAGE<br>PAID<br>MANASOTA, FL<br>PERMIT NO. 15 |
|---|