



# Communicator

American Accounting Association

Two-Year College Section

Spring 2004

## Message from the Chair

### Christine Kloezeman

When I became the Chair of the Two-Year Section, I had three main goals: (1) increase the visibility of the Two-Year Section in the American Accounting Association; (2) provide the section members access to an updated Two-Year College Accounting Directory; (3) start the communication process with the Teachers of Accounting at Two-Year Colleges (TATYC).

#### Increase Visibility

The Two-Year Section continues to increase its visibility in the American Accounting Association. This year we will have two panels at the annual meeting in Orlando: "Changes in Accounting Textbooks" with Belverd Needles, John Wild, and Paul Kimmel; and "Accounting Software on Every Desktop- Implications for Accounting Education" with Carol Yacht and Susan Crosson.

To help you plan for future attendance/presentations at the Annual Meeting, the locations are: 2005 San Francisco; 2006 Washington DC; 2007 Chicago; 2008 San Diego; and 2009 New York. Please plan your family vacation to be in those cities so you can attend and possibly prepare a panel for our section.

#### Two-Year College Accounting Directory

Thomson Learning hosts the Two-Year College directory. To view your current listing, go online to the Two-Year

Section website at <http://accounting.rutgers.edu/raw/aaa/TYC/communicator.htm> or Thompson's website at <http://www.swlearning.com/accounting/2yrAcctDir/2yracctdir.html>. If your listing needs to be updated, please send the information to me at [ckloezem@glendale.edu](mailto:ckloezem@glendale.edu). I will update the list on a monthly basis. This list is used to communicate with all our colleagues to exchange ideas and solutions.

#### Communication with TATYC

TATYC has their annual meeting in May. At the 2004 meeting we hope to have discussions with the TATYC board concerning how the two Associations can help each other while still retaining their autonomy.

The AAA membership committee is taking a survey about the needs of members. Please complete that survey so the Two-Year Section will continue to be well represented. Let's keep the momentum going and continue to work with the four-year colleges. Please volunteer to conduct a panel at your regional meetings. In the Western Region they have started an "Invite a Student" program. For the price of lunch a student can attend for one day with a registered faculty member. The Two-Year Section has two panels specifically for the students: Careers in Accounting and How a CPA Review Course Helps. I challenge all of the section members to create a panel or make a presentation at the regional and annual meetings. *LET'S MAKE SOME NOISE!!!*

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## Two-Year Section Website

**Tim Nygaard**

Did you know that the Two-Year Section has a website? It does, and we are asking you to help us make it better. We are asking for your submissions to the AAA presentations page. If you have given any presentations that you would like to share on our website, submission is simple. Attach your presentation to an email addressed to [tim.nygaard@kctcs.edu](mailto:tim.nygaard@kctcs.edu). In the Subject bar, type "two-year presentation submission," and tell me what you would like your link to say when it is posted (i.e., "Presentation on Web-Enhanced Learning" by Tom Smith, Jones University). Include a link to your school site if you wish.

## Communicator NEWS

Starting with the Spring 2004 issue, the *Communicator* is primarily available online. If you want a hard copy, please print it out from our website at <http://accounting.rutgers.edu/raw/aaa/TYC/communicator.htm>. Or, email me at [carol@carolyacht.com](mailto:carol@carolyacht.com) and I will attach or mail you a copy.

Please share the *Communicator* with your colleagues. This issue has a message from the Two-Year section chair; information about the Annual Meeting, three articles, two teaching tips; information about the Two-College Section Educator of the Year Award; a Thomson/South-Western ad; and a McGraw-Hill ad.

### Upcoming AAA Annual Meetings

<b>2004</b>	Orlando, Florida	August 8–11
<b>2005</b>	San Francisco, California	August 7–10
<b>2006</b>	Washington, D.C.	August 6–9

### Regional Meetings

#### 2004 Midwest Regional Meeting

March 25, 2004 – March 27, 2004 — Kansas City, MO

#### 2004 Southwest Regional Meeting

March 25, 2004 – March 27, 2004 — Austin, TX

#### 2004 Southeast Regional Meeting

April 1, 2004 – April 3, 2004 — Lexington, KY

#### 2004 Mid-Atlantic Regional Meeting

April 15, 2004 – April 17, 2004 — Arlington, VA

#### 2004 Northeast Regional Meeting

April 29, 2004 – May 1, 2004 — Albany, NY

#### 2004 Western Regional Meeting

April 29, 2004 – May 1, 2004 — Newport Beach, CA

#### 2004 Ohio Regional Meeting

May 6, 2004 – May 8, 2004 — Akron, OH



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# American Accounting Association 2004 Annual Meeting August 8 – 11 • Orlando, Florida

There is still time to register for the 2004 American Accounting Association Annual Meeting at the Orlando World Center Marriott Resort from August 8–11, 2004. Join us and bring your family, too, for a great convention and a wonderful vacation. Think tax deduction—to be decided by your accountant!

## Annual Business Meeting and Luncheon

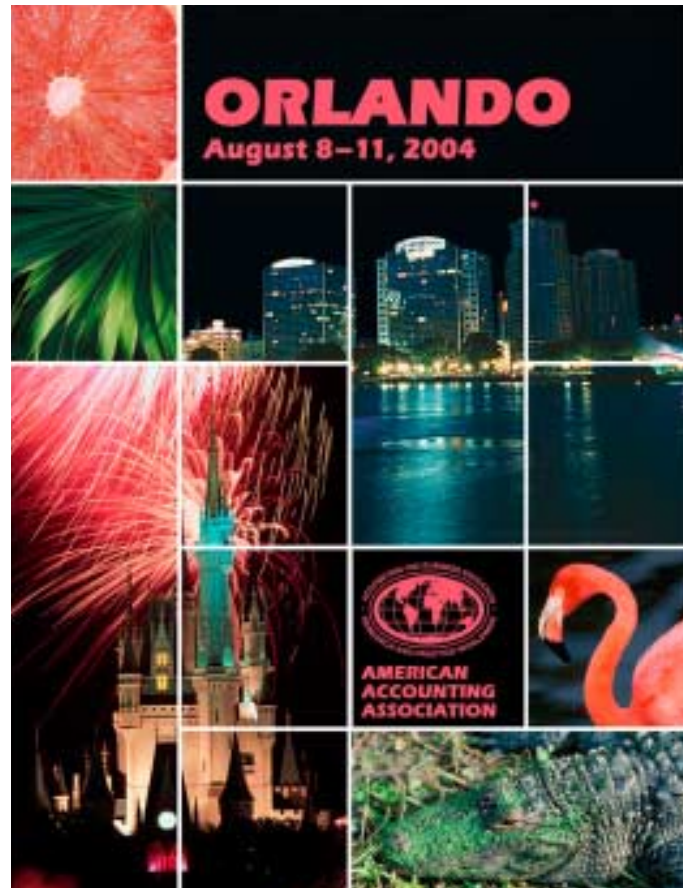
This year the Two-Year College Section has its annual business meeting and luncheon on Monday, August 9, at noon. The luncheon is sponsored by Houghton Mifflin. Our luncheon speaker is JANE MUTCHLER, the 2004/5 AAA President. The meeting agenda includes the introduction of the new board members, discussion of our newsgroup, new business, and the presentation of the Two-Year College Teacher of the Year award. We can enjoy a nice lunch together while exchanging ideas.

## Two-Year College Section Panel Discussions

The Two-Year Section is sponsoring two panel discussions. "Accounting Software on Every Desktop—Implications for Accounting Education" with Carol Yacht and Susan Crosson will focus on software choices in the first-year accounting courses, computer accounting, and accounting information systems. Our second panel is "Changes in Accounting Textbooks." Belverd Needles will discuss the challenges of today's students; John Wild will talk about assessment tools and critical thinking; and Paul Kimmel will focus on implications to educators of principles-based accounting standards.

## Travel Discounts

Uniglobe Forest Lake Travel has been selected as the official travel agency for AAA meetings. Check



out Uniglobe's special airfares online at <http://ta2.uniglobetravel.com/viewhome.asp?aid=1026&sit=23&vty=ARTICLE>.

Or, call Uniglobe at (800) 771-4488; email is [info@uniglobeforestlaketravel.com](mailto:info@uniglobeforestlaketravel.com).

Discounts have also been arranged with **Delta Air Lines** to bring you special airfares. Some restrictions may apply. You may also utilize the Delta discount through your own travel agency or directly with Delta at (800) 241-6760 by referencing the following ID number: **ID#: 201164A**.

Check the AAA website at <http://aaahq.org/AM2004/menu.htm> for current program information and hotel accommodations. The convention hotel is Orlando World Center Marriott Resort & Convention Center; 8701 World Center Drive; Orlando, FL, 32821; International Toll-Free: (800) 228-9290; Phone: (407) 239-4200; Fax: (407) 238-8777.

# Suggested Activities for Integrating Two Accounting Software Applications in Your Course

**Joann Segovia, Ph.D., CPA**  
**Assistant Professor, Minnesota State University, Moorhead**

Have you considered using two different accounting programs such as Peachtree® and Great Plains Dynamics®? Here are some suggested activities that incorporate the use of multiple software applications. If you use one software application, these assignments are adaptable.

Why use multiple software applications? Although more time is required to complete projects in two programs, students have many opportunities to compare and contrast the applications. Class discussion of system concepts is enhanced because students experience two software packages designed for different markets: Peachtree for small businesses with single users and Great Plains Dynamics for mid-sized businesses with multiple users. As students perform various tasks within the programs, students recognize distinct differences and increase their conceptual understanding of software design.

Control potential textbook costs by using Internet software available for a 30-day trial basis<sup>1</sup> or workbooks.<sup>2</sup> Armond Publishing provides Great Plains Dynamics software and projects that require approximately 20 hours.<sup>3</sup>

The following information compares and contrasts Peachtree and Great Plains Dynamics.

## Analyzing Software Design

First, students complete Peachtree assignments to record general journal entries, print reports, record adjusting entries, close the year, process payroll, record sales and purchases transactions in special screens, perform bank reconciliation, and record fixed asset purchases. These Peachtree skills appear to increase students' mastery in completing similar tasks in Dynamics, a more complex application.

Select activities from Exhibit 1. Students apply basic system design concepts and identify specific application's modules, menu items, and internal controls. Students present answers in class discussions, written papers, or class presentations. Activities compare and contrast two applications or just one application. Assign the activities throughout the course or as a capstone project.

## Accounting Software Website

Differences in software are further emphasized through an accounting software website that increases students' awareness of available accounting software applications, explains how to select software, and provides the latest software developments. Students access <http://www.accountingsoftwareworld.com> and view the website of consultant Randy Johnston who continuously analyzes software and updates information. Suggested assignments include:

- Assignment: Review the thirteen "Selection Steps." List three of the steps that you feel are most critical for our software selection. Explain, in detail, why these steps are important.

Expand the project and provide students a brief scenario that describes a business, its level of activity, number of software users, and specific reporting needs. Some aspect of the scenario can clearly emphasize one of the steps (e.g., a very small company would not form a technology advisory committee whereas a large company would).

- Background: Provide a brief scenario of a business, its activities, number of software users, reporting needs, and any special requirement that clearly dictates the selection of Peachtree or Dynamics.

Assignment: Compare and contrast Peachtree, Dynamics, AND one other accounting software program described at the website. For each software, indicate: (1) strengths, (2) weaknesses, (3) cost, and (4) "What's New." Based on your analysis, recommend a software package. Explain your decision.

- Select an article in "Headlines." Write paragraphs (1) summarizing the article and (2) explaining why you selected the article.

<sup>1</sup> See the following article for more details: Yacht, Carol, "Strategies for Using Peachtree and QuickBooks in Accounting," *Communicator*, Spring, 2002.

<sup>2</sup> One example of a workbook that can be bundled with a text from the same publisher is: Allen, Warren and Mary Allen, *Accounting Workbook for Peachtree 8*, South-Western, a division of Thomson Learning, 2002. (ISBN 0-324-07362-3)

<sup>3</sup> Ward, D. Dewey, *Computerized Accounting Using Microsoft Great Plains Dynamics, Second Edition*, Armond Dalton Publishers, Inc., 2001. (ISBN: 0-912503-15-7)

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## Suggested Activities for Integrating Two Accounting Software Applications in Your Course

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### Exhibit 1: Accounting Software Exercises<sup>4</sup>

Objective	Exercise/Questions
Identify basic software functions	Identify and write down the names given in menu items for handling routine transactions (recording sales orders, shipping goods, billing customers, collecting cash, depositing cash, ordering and receiving goods, recording and paying bills, maintaining inventory records, paying employees, creating or storing budgets)
Identify maintenance activities	Identify and write down the names given to menu items for maintenance activities (adding customers, suppliers, employees, or general ledger accounts)
Understand reference data	What reference data do you enter when recording a new customer? A new supplier?
Identify the use of data input controls	Examine data input forms and screens used to record transactions (sales, cash collection, purchase invoice, cash payment, payroll). Find examples of: look-up tables, record checking, confirmation, use of defaults, computer-generated values (such as transaction numbers or calculations), referential integrity, format checks, validation rules. (HINT: To search for existence of these controls, enter data that would be prevented by the control. If you are prevented, the control is in place.) Why are these input controls used?
Understanding transaction files	A transaction file contains the following information: date, amount, reference to agent (customer, supplier, employee) and reference to goods, service, or cash. Find the screen for recording a transaction (sale, cash receipt, purchase order, and/or payment). Print the screen and identify these items on your printout.
Recognizing workflow controls	<p>Review the accounting software sufficiently and answer the following. If you provide a YES or NO answer, explain how you arrived at your answer.</p> <ul style="list-style-type: none"> <li>• Passwords: Does the system allow assignment of passwords to enforce segregation of duties? For example, can some users add customers but not record sales, and vice versa?</li> <li>• Credit Limits: Can credit limits be set for customers? Can a sale still be made if a customer is over the credit limit? Is an exception report printed if this is done?</li> <li>• Selecting Invoices for Payment: Are purchase invoices chosen for payment through an automatic procedure so that discount or due dates are not missed?</li> <li>• Follow-up Report: What reports provide information to help users follow up on unfinished transactions such as customer or purchase orders not filled or past due customer bills or purchase invoices?</li> <li>• Prenumbered Documents: Are serial numbers automatically assigned to purchase orders, customer orders, sales invoices, and checks?</li> <li>• Accountability: Do data entry fields allow for the recording of the name or ID of responsible person for the transaction?</li> <li>• Reconciliation: Does the system have a form or other special feature for comparing Inventory quantities within the system to inventory quantities from an inventory count? Does the system perform bank reconciliation?</li> </ul>
Understand modules and main menu sections	<ul style="list-style-type: none"> <li>• What are the typical menu items (file maintenance, record event, process, print/display reports, query)? Compare and contrast specific screens such as sales invoice or purchase order screen within the accounting applications.</li> <li>• What modules are present in the accounting software? Are the menu items similar for each module? What terms are used on the menu?</li> <li>• What reports are available for the purchases and/or sales cycle?</li> <li>• Can batch records be created for sales? Purchases? Payroll? If so, does the screen assign a batch number, record count, batch total, and hash totals?</li> <li>• Are transactions posted automatically to general ledger module or are the transactions saved and posted upon request by the user?</li> <li>• How are records purged or deleted?</li> </ul>

<sup>4</sup> Questions are adapted and summarized from conceptual framework and activities presented in the following text: Jones, Frederick L. and Dasaratha V. Rama, *Accounting Information Systems: A Business Process Approach*, South-Western, a division of Thomson Learning, 2003. (ISBN 0-324-12998-X)



# Teaching Management Accounting Using the Business Planning Model

Noah P. Barsky, Ph.D., CPA, CMA

Anthony H. Catanach, Jr., Ph.D., CPA, CMA

Department of Accountancy, Villanova University

The Business Planning Model (BPM) is a creative approach to teaching introductory management accounting developed with the financial support of the Institute of Management Accountants. The BPM transforms management accounting from a course that emphasizes cost accounting topics in a manufacturing setting to one that addresses planning, control, and decision-making themes in a business-planning context. A primary goal of this course innovation has been to create an educational program that helps students gain an appreciation for the *value of managerial accounting information*.

The BPM is comprised of a totally new set of instructional materials that include: (1) a serial case that introduces students to managerial accounting topics across ten content modules, (2) a set of mini-cases that reinforces topical coverage in each of the content modules, and (3) a semester-long simulation that allows students to apply the tools and techniques learned in both the content modules and mini-cases while preparing a comprehensive business plan for a start-up enterprise. Students present these plans to faculty, classmates, and local business professionals at the end of the semester.

Business planning offers an ideal context for introducing students to management accounting, and has several distinct pedagogical advantages. First, the business-planning experiences of the serial case's fictitious company, from start-up through the first two years of operations, create a sense of realism for students that motivates learning and distinguishes the course from other classes. Second, business-planning topics reinforce the demand for accounting information by linking traditional management accounting content to broader business issues. Finally, the semester-long simulation integrates and reinforces the topical content more so than simply assigning an end-of-semester project.

While the BPM delivers much of the technical content contained in most introductory managerial courses, its topical coverage differs from the traditional course in several ways. Unlike some traditional courses that focus exclusively on accounting tools needed to solve a contrived existing problem, this model highlights the *practical* use of management accounting information in business planning. The BPM emphasizes *proactive*, rather than *reactive*, management as it presents topical

content such as *process*, *risk*, and *strategy* and links these concepts to upper-division coursework in other business disciplines. In doing so, the BPM encourages students to develop their *evaluation* and *decision-making* skills, thus dispelling the notion that management accountants simply accumulate data and let others make decisions. Finally, the BPM relies heavily on examples from service industries and uses *student-friendly business contexts* that include basic consumer and retail examples that leverage students' exposure to business as customers and front-line employees. The BPM relies on everyday, basic consumer businesses such as hardware stores and pizza shops to highlight the value and importance of management accounting. Students often find it much easier to relate to these contexts rather than overly detailed, large company examples in complex industries that can obscure the application and use of key course concepts.

In addition to its student materials, the BPM includes a daily instructor manual to support delivery both in and out of class. This detailed class guide summarizes the day's objectives and activities, outlines required readings and handouts, reviews student assignments, and provides comprehensive guidance on how to conduct each BPM class. So that students focus on content rather than form during their business planning simulation, the BPM's materials also include templates and sample business plans to guide the formatting and structure of student plans and presentations.

Observations and feedback provided by practicing professionals suggest that the course objectives, structure, and delivery approach are consistent with current market expectations in accounting and other business fields. The student presentations provide an opportunity to showcase an institution's curriculum and promote full-time and internship placements for students. The BPM's distinctiveness and practical focus have been very well received by students, parents, and professionals. Students at institutions using the BPM introductory managerial course report that it: (1) gives them an appreciation for the value of managerial accounting information; (2) provides them with a basic understanding of business processes and the related risks, (3) effectively develops certain key business skills—specifically risk assessment, critical thinking,

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# Linking Inventory Turnover and Operating Margin to Merchandising Strategy

Jim Reeve, Ph.D., CPA  
The University of Tennessee

The inventory chapter of the Principles course provides a good opportunity to introduce students to basic differences in merchandising strategy by comparing the inventory turnover ratio with the operating margin (income from operations divided by sales) of various retailers. This exercise provides students with a real-world application of the inventory turnover ratio, which is something new to them, in a context that is very familiar—namely, retail stores. This can be done as either an assignment outside of class or as part of a class lecture. I begin by asking students to identify familiar general merchandise retail and department stores. A list of stores will emerge, from which I usually select a few that will help make my points. An example is as follows:

Retailer	Strategy
Costco	Club warehouse
Wal-Mart	Discount general merchandise
Target	General merchandise
Nordstrom	Upper-scale department store (Federated also works)

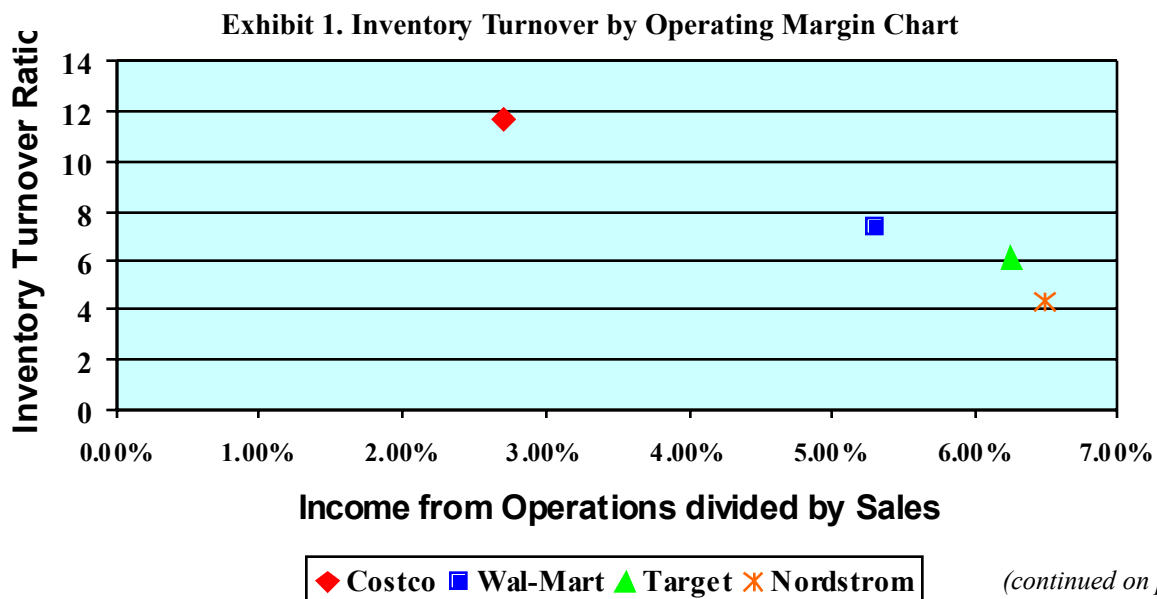
This list is essentially a strategy continuum from the high-volume/low-margin strategy of Costco to the low-volume/high-margin strategy of Nordstrom. I usually have the students describe the differences between these stores. Often the students will describe the types of products, customers, locations, pricing, and the like. I point out that many of these observations can be captured by both inventory turnover and operating margin.

The students either provide, via an assignment, or I provide the following table:

	Inventory Turnover Ratio	Income from Operations to Sales
Costco	11.70	2.70%
Wal-Mart	7.29	5.30%
Target	6.14	6.26%
Nordstrom	4.34	6.50%

If you have online capability or if you have some financial statement information preloaded on a spreadsheet (such as provided by Thomson Analytics or on your own) you can show the students how to do the calculations for one of the companies from the actual statement information.

The table data can be displayed in graphical form as shown in Exhibit 1.



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## Linking Inventory Turnover and Operating Margin to Merchandising Strategy

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Exhibit 1 can be used to show how the inventory turnover ratio is negatively related to the operating margin by following the points from the upper left to the lower right. That is, the slower the turnover the higher the margins, and the faster the turnover the lower the margins. I usually have the students visualize a water pipe. The inventory turnover ratio is the velocity of water running through the pipe, while the profit margin is the diameter of the pipe.<sup>1</sup>

At one end of the continuum is Costco. Costco's strategy is to provide mass-appeal, high-volume products at cut-rate prices. Their warehouse format drives inventory out the door at very low margins. Nordstrom, in contrast, has a wider assortment of products that will move more slowly off the shelf compared to Costco. To make up for the slow-moving inventory, Nordstrom must earn a higher profit margin on each unit sold. Nordstrom will provide more floor space for customers by using wider aisles and larger customer service areas, than will either Wal-Mart or Costco. In contrast, Wal-Mart and Costco will use more space for inventory. However, by trading off a little customer discomfort, the customer will get better prices at Costco and Wal-Mart. I usually summarize with a table listing some of the differences between the merchandising strategies at the two ends of the continuum, as shown in Exhibit 2.

### Exhibit 2. Merchandising Strategies for Costco and Nordstrom

<b>Low Margin High Turnover (Costco)</b>	<b>High Margin Low Turnover (Nordstrom)</b>
Narrow product assortment	Wide product assortment
Mass-appeal products only	Many narrow-appeal products
Congested ambience	Comfortable ambience
Inventory stacked high and tight	Inventory stacked low and wide
Fewer fashion-sensitive products	More fashion-sensitive products
Everyday low price on common items	Frequent use of sales to move unpopular items
Low prices	High prices

<sup>1</sup> In fluid mechanics the velocity and diameter are not independent, however, the students can usually visualize the point.

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## The Two-Year College Educator of the Year Award

Do you know someone who has distinguished him/herself in the field of accounting education? Please nominate that individual for the annual Educator of the Year award, which will be presented at the 2004 American Accounting Association conference in Orlando during the meeting of the Two-Year College Section. This is a wonderful way to recognize the professional contributions of one of our colleagues. A committee of the Two-Year College Section will select the recipient.

### Eligibility:

The candidate must:

1. Have at least ten years of teaching experience and currently teach at a two-year college.
2. Have at least five years of continuous membership (including the current year) in the AAA Two-Year College Section.

**Note:** Current officers and selection committee members are not eligible for this award. Two-Year College Section members may be eligible if they teach at four-year institutions. Contact the selection committee chair with questions about eligibility.

### Criteria:

The candidate must show evidence of:

1. Excellence and innovation in teaching accounting.
2. Commitment to the improvement of teaching within his or her institution.
3. Leadership in the development of teaching and learning beyond his or her own courses.

### Nomination Procedure:

- The nominator must notify the committee by **May 10, 2004**. This can be done by letter or email message. Self-nominations are acceptable.
- The candidate must submit nomination materials (see next section) by **May 31, 2004**.
- The address for submissions is:  
Christine Kloezeman, Two-Year Section Committee Chair  
Two-Year College Educator of the Year  
Business Division, Accounting Department  
Glendale Community College  
1500 North Verdugo Road  
Glendale, CA 91208  
Phone: (818) 240-1000 X 5524  
Fax: (626) 799-5012  
Email: ckloezem@glendale.edu

### Nomination Materials:

The *candidate* should submit the following by **May 31, 2004**:

1. Name, college address, home address, college phone number, home phone number, fax number, and email address of candidate.
2. A *curriculum vitae* or resume.
3. Other materials that show:
  - 3.1. Number of years of teaching experience.
  - 3.2. Number of years as a member of the AAA Two-Year College Section.
  - 3.3. Evidence of teaching excellence. Examples: data from teaching evaluations over several years; list of special course development efforts; description of effective teaching strategies used; letters from colleagues and students; examples of course materials; previous teaching awards or summaries of student ratings.
  - 3.4. Evidence of educational leadership. Examples: conducting seminars, workshops, conferences, or other events for colleagues; papers, texts, newsletters, or other publications related to teaching; work on special projects related to learning.

## TEACHING TIP

### First-Day Annual Report Activity for the First Accounting Course

**Paul Solomon, Ph.D., Northern Arizona University**

This assignment is a real hit with students because it demonstrates the importance of accounting in understanding business, immediately immerses them in the process of how to read financial statements, and provides them with an engaging activity rather than a boring discussion of course administration.

#### Assignment Steps for Classroom Instruction (45 Minutes)

1. (7 minutes). With as many different annual reports as students, ask each student to pick an annual report that most interests them.
2. (10 minutes). Before you provide instructions, tell your students:  

“One of this course’s primary objectives is for you to become comfortable with reading an annual report. Now that you have such an annual report in front of you, use annual report headings and your logical reasoning to figure out natural breaks in the subject matter. See if you can identify 15 distinct annual report components.”
3. (13 minutes). Before forming teams, tell your students:  

“Keep in mind that while annual reports have numerous components in common, every annual report is unique. Don’t expect that there will always be 15 components. Asking you to identify 15 components was just an exercise to help you break a whole (the annual report) into a more manageable sum of the parts (each component).”

Then, organize your students into groups of 4–6 and tell them:

“Refine the list of 15 annual report components you developed by discussing with your team members what you believe are the 12 most critical components of an annual report. Through your discussion, try to resolve those items that seem to be in conflict. Each group must then appoint a reporter who reports their list to the entire class.”

4. (12 minutes). Convene the groups and conduct a class discussion by integrating the components found in the report of each group.
5. (3 minutes). Present your own top 10 list (shown below) cautioning students to remember that, in fact, no magic list of 10 really exists!

#### Primary Components of an Annual Report

1. Corporate Profile (including mission statement)
2. Financial Highlights, Summary (Selected Financial Data)
3. Letter to Stockholders
4. Marketing Material
5. Management’s Discussion and Analysis (MD&A)
6. Financial Statements
7. Notes to the Financial Statements (including Summary of Significant Accounting Policies)
8. Auditor’s Report
9. Management’s Statement of Financial Responsibility
10. Corporate Information (includes Directors and Officers)

#### Teaching Management Accounting Using the Business Planning Model

*(continued from page 6)*

and oral communication skills, and (4) increases their interest in accounting as a field of study. Students value the BPM so highly that they have written articles in the university student newspaper about it. Over the past five years, professionals have been unanimous in their support of this approach and its broad set of educational objectives.

In conclusion, the BPM transforms the introductory managerial accounting course into a business-focused, student-centered, practical learning experience. The BPM allows students to see the value of information across multiple business contexts and instills in

them an appreciation for the complexities associated with planning, control, and decision making. As business continues to demand employees that can think, analyze, communicate, and work in teams, while displaying technical competency, curriculum innovations like the BPM can help prepare students for challenging and rewarding job opportunities.

Note: To date, six business schools use the Business Planning Model. Upon request, the authors are willing to share all course materials described in this article with interested parties. For more information, please contact Noah P. Barsky at [noah.barsky@villanova.edu](mailto:noah.barsky@villanova.edu) or (610) 519-6272 or Anthony H. Catanach, Jr. at [anthony.catanach@villanova.edu](mailto:anthony.catanach@villanova.edu) or (610) 519-4825.

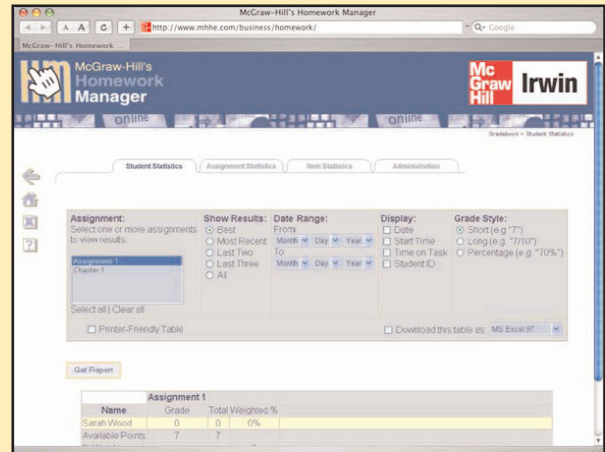
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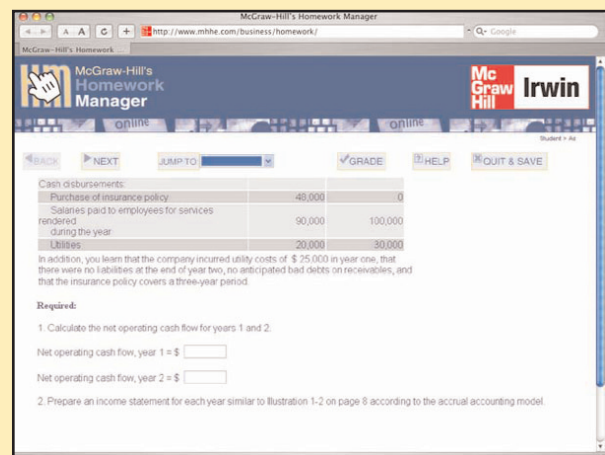
**McGraw-Hill's Homework Manager** is a Web-based supplement that **duplicates problem structures directly from the end-of-chapter material in your textbook**, using algorithms to provide a limitless supply of online self-graded practice for students or assignments and tests with unique versions of every problem. Say goodbye to cheating in your classroom; say hello to the power and flexibility you've been waiting for in creating assignments.

**McGraw-Hill's Homework Manager** is also a **useful grading tool**. All assignments can be delivered over the Web and are graded automatically, with the results stored in your private gradebook. Detailed results let you see at a glance how each student does on an assignment or an individual problem—you can even see how many tries it took them to solve it.

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Homework Manager lets you analyze individual student and total class performance.



Students can practice on infinite variations of challenging problems.



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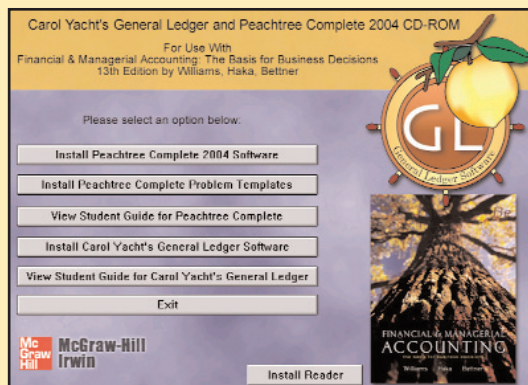
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Whether you want to make sure students understand the fundamental concepts, or would rather give them valuable real-world practice, this CD-ROM has you covered. **Textbook-specific problem templates** are included for both **Carol Yacht's General Ledger** and **Peachtree Complete**, giving you the utmost flexibility in assigning projects.



Students using **Carol Yacht's General Ledger** can move from financial statements to the specific journal entries with just a click of the mouse; **changing an entry updates the financial statement on the fly**, allowing students to see instantly how journal entries impact financial statements.

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In addition to the included templates, we've created a Problem Creation Wizard that easily allows you to add your own material.

**Carol Yacht's General Ledger and Peachtree CD-ROM** is an incredible value—find out more by talking to your McGraw-Hill representative today at [www.mhhe.com/catalogs/rep!](http://www.mhhe.com/catalogs/rep!)



## Carol Yacht's General Ledger and Peachtree Complete 2004 CD-ROM is available with:

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- *College Accounting, Chapters 1-16, 18e*
- *College Accounting, Chapters 1-10, 18e*



## TEACHING TIP

### Simplifying the Grading of Monopoly® Simulation

Joann Segovia, Ph.D., CPA

Assistant Professor, Minnesota State University, Moorhead

If you are utilizing cooperative learning through the use of the board game simulation Monopoly®, simplify the grading of the projects by integrating an accounting software project. Students use the transactions generated through playing Monopoly and manually record transactions and prepare financial statements. Students record the same transactions and prepare financial statements in an accounting software application to verify the accuracy of their manually prepared statements.

Students can access Internet-delivered software such as QuickBooks® Online Edition or ePeachtree®.<sup>1</sup> Either software is readily available for a 30-day free trial. The basic required skills for using either accounting application are easy to learn and students will easily master the necessary skills to record general journal entries and print financial statements.

Upon completion of recording transactions in the software and comparing the “manually” generated financial statements with the accounting-software-generated financial statements, students identify and correct problems that they may have encountered in completing the manual portion of the project. The use of accounting software enables students to more easily

identify potential mathematical errors or posting errors. Students save time in identifying errors and increase the accuracy of their financial statements.

Project deliverables from the accounting software include the general journal and financial statements that correspond with project deliverables for the manual portion of the project. Students submit printouts of these reports from the software. Instructors will find the printout from the accounting software easier to read, free of mathematical and posting errors, and easier to grade. Upon successful completion and preparation of financial statements, consider using this printout in the same small groups that played the initial game. Then, require students to perform financial statement analysis to ascertain the “best” performer or company with the highest liquidity.

This pedagogical approach is well received by the students and increases their understanding of basic accounting principles. Students obtain instant feedback on how corrections and changes in journal entries affect the financial statements.

For more information on using Monopoly or Internet delivered software, see the Spring 2002 *Communicator* issue.<sup>2</sup>

<sup>1</sup> Yacht, Carol, “Strategies for Using Peachtree and Quickbooks in Accounting,” *Communicator*, Spring, 2002.

<sup>2</sup> Gentile, Julie, “Cooperative Learning in Elementary Financial Accounting: A Board Game Simulation,” *Communicator*, Spring, 2002.

American Accounting Association

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