

Pilot Assessment

Content is Subject To Change Prior to Full Implementation



Accounting - Pilot

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JOB READY ASSESSMENT BLUEPRINT

ACCOUNTING - PILOT

Test Code: 4200

Version: 1

Specific Competencies and Skills Tested in this Assessment:

Journalizing

Demonstrate knowledge of analyzing debits and credits on source documents
Demonstrate understanding of how to apply Generally Accepted Accounting Principles (GAAP)
Exhibit understanding of how to follow principles of double-entry bookkeeping in the journalizing process
Analyze transactions involving equity
Identify and compute adjusting entries
Describe accounts receivable and payable

Posting

Demonstrate understanding of how to post to general and subsidiary ledger accounts
Identify and correct posting errors
Demonstrate knowledge of how to reconcile subsidiaries to general ledgers
Display understanding of how to manage accounts receivable and payable

Payroll Preparation

Calculate employee earnings and create record
Calculate appropriate employer payroll tax liabilities
Calculate and journalize payroll entries at end of earnings period in general journal
Demonstrate understanding of how to prepare a payroll check and check stub with appropriate information

Cash and Banking Procedures

Demonstrate understanding of how to reconcile a bank statement
Demonstrate knowledge of how to complete deposit tickets, check stubs, and checks
Exhibit understanding of credit cards and/or debit card accounts
Demonstrate understanding of how to reconcile and replenish petty cash funds

Accounting - PILOT (continued)

Completion of Accounting Cycle

Display knowledge of how to complete 8 or 10 column worksheets

Demonstrate knowledge of how to prepare and verify the financial statements from a completed worksheet

Demonstrate understanding of how to record and post adjusting and closing entries

Demonstrate knowledge of how to locate and correct accounting errors

Identification and Application of Source Data

Identify and analyze appropriate business forms used in bookkeeping and/or accounting

Identify and analyze electronic data for various bookkeeping and/or accounting purposes

Interpret and analyze information contained in source documents

Basic Accounting Knowledge and Skills

Exhibit understanding of terminology relating to accounting

Exhibit understanding of careers in accounting and regulatory bodies

Demonstrate knowledge of internal controls (e.g., segregation of duties)

Determine classification of accounts and identify normal balances

Display knowledge of how to generate and interpret spreadsheets, charts, and graphs

Accounting - PILOT (continued)

Written Assessment:

Administration Time: 2 hours and 30 minutes

Number of Questions: 139

Areas Covered:

21% Journalizing

10% Posting

9% Payroll Preparation

11% Cash and Banking Procedures

16% Completion of Accounting Cycle

14% Identification and Application of Source Data

19% Basic Accounting Knowledge and Skills

Sample Questions:

The transaction that would result in a debit to Liability and a credit to Assets is the

- A. payment of cash to a creditor
- B. purchase of equipment on account
- C. receipt of cash from a customer
- D. issuance of common stock for cash

An increase in a liability typically indicates a

- A. payment of cash to a supplier
- B. return of merchandise to a vendor
- C. receipt of cash from a customer
- D. purchase of merchandise on account

Posting is the process of

- A. entering transactions into the journal
- B. analyzing financial statements
- C. recording transactions in chronological order
- D. transferring journal entries to ledger accounts

Accounting - PILOT (continued)

Form W-4 is used to

- A. verify an employee's eligibility to work
- B. report non-employee compensation to the IRS
- C. file quarterly federal tax returns for employers
- D. determine the amount of federal income tax withheld

Bank expense is the account that gets debited for a/an

- A. increase in owner's equity
- B. deposit made by a customer
- C. bank service fee
- D. loan repayment

Endorsement refers to a

- A. legal certification by a notary
- B. method of calculating asset depreciation
- C. written or stamped authorized signature
- D. financial statement disclosure

Trial balances are categorized as

- A. preliminary, interim, and final financial statements
- B. initial, monthly, and annual bank reconciliations
- C. standard, approved, and pending purchase orders
- D. unadjusted, adjusted, and post-closing trial balances

A credit memo is a business form used to

- A. record cash payments from customers
- B. document and record sales returns
- C. authorize inventory purchases
- D. track employee reimbursements

Accounting - PILOT (continued)

A CPA is a professional designation for a/an

- A. loan officer
- B. accountant
- C. financial planner
- D. budget analyst

Easier to perform complex calculations is a benefit of

- A. using spreadsheets in accounting
- B. filing paper receipts manually
- C. relying solely on printed ledgers
- D. avoiding digital tools in bookkeeping

Accounting - PILOT (continued)

Performance Assessment:

Administration Time: 2 hours and 30 minutes

Number of Jobs: 5

Areas Covered:

14%

Payroll Register

Participant will use the provided Job 1: Payroll Register worksheet to compute each employee's net pay and complete the total and payroll register for the week.

16%

Bank Reconciliation

Participant will use the provided Job 2: Bank Reconciliation worksheet to document any changes to the checkbook stubs.

25%

General Journal Entries

Participant will use the provided Job 3: General Journal Entries worksheet to record entries for each document in the general journal and include source document number.

10%

Schedule of Accounts Receivable and Trial Balance

Participant will use the provided Lawns Landscaping, Inc., ledger accounts and worksheets to prepare a Schedule of Accounts Receivable and a Trial Balance.

35%

Financial Statements

Participant will complete and total the Income Statement and Balance Sheet columns on the provided 8-column worksheet; calculate for Net Income or Net Loss; and prepare an Income Statement, Statement of Owner's Equity, and Balance Sheet using the provided worksheets.

Sample Job: Schedule of Accounts Receivable and Trial Balance

Maximum 20

Job Time:

Participant Activity: Participant will use the provided Lawns Landscaping, Inc., ledger accounts on the Job 4: Ledger worksheet and the Job 4: Schedule of Accounts Receivable worksheet to prepare a Schedule of Accounts Receivable as of January 31, 20XX. Then, the participant will use the Job 4: Trial Balance worksheet to prepare a Trial Balance to verify accuracy of posting.