



**El Camino College**  
**COURSE OUTLINE OF RECORD – Official**

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| <b>Course Acronym:</b>              | BUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Course Number:</b>               | 126                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Descriptive Title:</b>           | Accounting for Small Business                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Division:</b>                    | Business                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Department:</b>                  | Office Administration                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Course Disciplines:</b>          | Accounting, Business, Management                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Catalog Description:</b>         | <p>This course addresses the accounting cycle for a small business. Topics covered include the fundamental accounting equation, types of accounts, debits and credits, the trial balance, the general journal, general ledger and preparation of financial statements. Adjusting entries, closing entries, and the post-closing trial balance will be prepared. Additional topics in this course include cash, cash controls, payroll, and employer taxes. This is an accounting course for small business in service environments.</p> <p>Note: This course is not open to students who have credit for or are currently enrolled in Business 1A. This course is not recommended for the student who has completed two years of high school bookkeeping with a grade of C or better.</p> |
| <b>Prerequisite:</b>                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Co-requisite:</b>                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Recommended Preparation:</b>     | Eligibility for English C1000 or equivalent                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Enrollment Limitation:</b>       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Hours Lecture (per week):</b>    | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Hours Laboratory (per week):</b> | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Outside Study Hours:</b>         | 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Total Course Hours:</b>          | 54                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Course Units:</b>                | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Grading Method:</b>              | Letter Grade only                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Credit Status:</b>               | Credit, degree applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Transfer CSU:</b>                | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Effective Date:</b>              | Nov 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Transfer UC:</b>                 | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Effective Date:</b>              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>General Education:</b>           | ECC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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|                                   | <b>Term:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |
|                                   | <b>Other:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
|                                   | <b>CSU GE:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |
|                                   | <b>Term:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |
|                                   | <b>Other:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
|                                   | <b>IGETC:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
|                                   | <b>Term:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |
|                                   | <b>Other:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
|                                   | <b>CalGETC:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |
|                                   | <b>Term:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |
|                                   | <b>Other:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
| <b>Student Learning Outcomes:</b> | <p><b>SLO #1 Terminology</b></p> <p>Define accounting terminology and explain the importance of accounting information.</p> <p><b>SLO #2 Process</b></p> <p>Process accounting information, including records related to banking and payroll.</p> <p><b>SLO #3 Prepare</b></p> <p>Complete all steps of the accounting cycle and prepare financial statements.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>Course Objectives:</b>         | <ol style="list-style-type: none"> <li>1. Analyze the components of accounting and explain the importance of accounting information.</li> <li>2. Define and identify assets, liabilities, owner's equities, revenue, and expenses.</li> <li>3. Explain the fundamental accounting equation and determine the impact of various business transactions on this equation.</li> <li>4. Record business transactions in journals and post transactions to ledger accounts.</li> <li>5. Complete all steps in the accounting cycle for service and merchandising businesses.</li> <li>6. Prepare and analyze financial statements of small businesses.</li> <li>7. Maintain bank accounts and reconcile bank statements for businesses.</li> <li>8. Calculate employee earnings, determine deductions, and create payroll records.</li> <li>9. Calculate employer's payroll tax returns and complete forms.</li> </ol> |  |
| <b>Major Topics:</b>              | <p><b>I. The Fundamental Accounting Equation (6 hours, lecture)</b></p> <p>A. Assets, Liabilities, and Owner's Equity accounts</p> <p>B. Revenue and Expense accounts</p> <p>C. Transactions analysis and recording business transactions in a columnar form</p> <p><b>II. T Accounts, Debits and Credits, the Trial Balance, and Financial Statements (8 hours, lecture)</b></p> <p>A. T Account concept as used in the accounting profession.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |

B. Debit and Credit

C. Analysis and recording of business transactions using Debits and Credits in T Account form

D. Trial Balance concept

E. Trial Balance preparation

F. Introduce the financial statements (Income Statement, Statement of Owner's Equity, and Balance Sheet)

G. Prepare Financial Statements

### **III. The General Journal and the General Ledger (7 hours, lecture)**

A. Source documents

B. Business transactions to the General Journal

C. Posting transactions to the General Ledger

D. Preparing a Trial Balance from the General Ledger

### **IV. Prepare Adjusting Entries (8 hours, lecture)**

A. Fiscal Period

B. The need for adjusting entries

C. Preparing end-of-period adjusting entries

D. Using a ten-column Work Sheet to prepare an Adjusted Trial Balance, income statement, and balance sheet

E. Journalizing and posting adjusting entries to the General Journal and the General Ledger

F. End of period financial statements

### **V. Prepare Closing Entries and the Post-Closing Trial Balance (8 hours, lecture)**

A. Purpose for closing entries

B. Closing procedures

C. Closing entry adjustments

D. Journalizing and Posting closing entries to the General Journal and General Ledger

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|                                                                        | <p>E. Preparing the Post-Closing Trial Balance</p> <p>F. Differences between Cash and Accrual accounting methods</p> <p><b>VI. Bank Accounts, Cash Funds, and Internal Controls (7 hours, lecture)</b></p> <p>A. Cash and the purpose of Internal Controls</p> <p>B. Checking Accounts</p> <p>C. Petty Cash</p> <p>D. Change Funds</p> <p>E. Reconciliations of checking accounts, petty cash funds, and change funds</p> <p>F. Journalizing and posting to the General Journal and General Ledger</p> <p>G. Relationships between Cash, Accounts Receivable, and Accounts Payable</p> <p><b>VII. Employee Earnings and Deductions (5 hours, lecture)</b></p> <p>A. Employer-Employee relationships</p> <p>B. Laws affecting Employee's Pay Deductions</p> <p>C. Laws affecting Employer's Payroll Contributions</p> <p>D. Recording payroll</p> <p>E. Payroll services</p> <p><b>VIII. Employer Taxes, Payments, and Reports (5 hours, lecture)</b></p> <p>A. The Employer Identification Number</p> <p>B. The Employer's payroll tax obligations</p> <p>C. Calendar for required payroll tax payments</p> |
| <b>Total Lecture Hours:</b>                                            | 54                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Total Laboratory Hours:</b>                                         | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Total Hours:</b>                                                    | 54                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>A.1. Primary Methods of Evaluation (Part 1 - CCN courses only):</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

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| <b>A.2. Primary Method of Evaluation (Part 2 - all courses; choose one):</b>      | 2) Problem solving demonstrations (computational or non-computational)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Typical Assignment Using Primary Method of Evaluation:</b>                     | Analyze transactions, journalize and post, prepare financial statements (Income Statement, Statement of Owner's Equity, and Balance Sheet).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Critical Thinking Assignment 1:</b>                                            | <p>Complete an end-of-term comprehensive assignment involving the entire accounting cycle. Students will:</p> <ul style="list-style-type: none"> <li>Analyze transactions</li> <li>Journalize transactions to the General Journal</li> <li>Post to a General Ledger</li> <li>Produce a Trial Balance</li> <li>Analyze end-of-period adjustments</li> <li>Produce an accounting worksheet</li> <li>Produce financial statements (Income Statement, Statement of Owner's Equity, and Balance Sheet)</li> <li>Close for the end of the accounting period</li> <li>Journalize closing to the General Journal and post to the General Ledger</li> <li>Produce a Post-Close Trial Balance and Balance Sheet</li> </ul> |
| <b>Critical Thinking Assignment 2:</b>                                            | Prepare a complete worksheet showing end-of-period adjustments, an Adjusted Trial Balance, Income Statement, and Balance Sheet.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Other Evaluation Methods:</b>                                                  | Class Performance, Completion, Homework Problems, Matching Items, Multiple Choice, Other Exams, Performance Exams, Quizzes, True/False                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Instructional Methods:</b>                                                     | Demonstration, Group Activities, Lecture, Multimedia presentations, Role play/simulation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>If other:</b>                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Work Outside of Class:</b>                                                     | Answer questions, Problem solving activity, Required reading, Skill practice, Study                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>If Other:</b>                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Up-To-Date Representative Texts:</b>                                           | <p>Cathy Scott, <u>College Accounting: A Career Approach</u>, 13th ed., Cengage, 2018.</p> <p>Discipline standard</p> <p>Digital Version with CNow</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Alternative Texts:</b>                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Required Supplementary Readings:</b>                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Other Required Materials:</b>                                                  | Working papers with Study Guide - online or workbook                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Requisite:</b>                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Category:</b>                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Requisite course(s): List both prerequisites and corequisites in this box.</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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| <b>Requisite and Matching skill(s):</b> Bold the requisite skill. List the corresponding course objective under each skill(s).                     |                                                                                                                                                                                                                                                                                                                                                |
| <b>Requisite Skill:</b>                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                |
| <b>Requisite Skill and Matching Skill(s):</b> Bold the requisite skill(s). If applicable                                                           |                                                                                                                                                                                                                                                                                                                                                |
| <b>Requisite course:</b>                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                |
| <b>Requisite and Matching skill(s):</b> Bold the requisite skill. List the corresponding course objective under each skill(s).                     |                                                                                                                                                                                                                                                                                                                                                |
| <b>Requisite Skill:</b>                                                                                                                            | Eligibility for English C1000 or equivalent                                                                                                                                                                                                                                                                                                    |
| <b>Requisite Skill and Matching skill(s):</b> Bold the requisite skill. List the corresponding course objective under each skill(s). If applicable | <p><b>Read and analyze transactions, determine aggregate accounts involved, and record transactions.</b></p> <p>Employ basic study skills and reading strategies to explain at the literal level the content of a text.</p> <p>Read and apply critical thinking skills to pre-collegiate texts for the purposes of writing and discussion.</p> |
| <b>Enrollment Limitations and Category:</b>                                                                                                        |                                                                                                                                                                                                                                                                                                                                                |
| <b>Enrollment Limitations Impact:</b>                                                                                                              |                                                                                                                                                                                                                                                                                                                                                |
| <b>Course Created by:</b>                                                                                                                          | Marjorie Long                                                                                                                                                                                                                                                                                                                                  |
| <b>Date:</b>                                                                                                                                       | 05/01/1973                                                                                                                                                                                                                                                                                                                                     |
| <b>Original Board Approval Date:</b>                                                                                                               | Spring 1973                                                                                                                                                                                                                                                                                                                                    |
| <b>Last Reviewed and/or Revised by:</b>                                                                                                            | David Pahl                                                                                                                                                                                                                                                                                                                                     |
| <b>Date:</b>                                                                                                                                       | 11/12/2025                                                                                                                                                                                                                                                                                                                                     |
| <b>Last Board Approval Date:</b>                                                                                                                   | 01/21/2026                                                                                                                                                                                                                                                                                                                                     |
| <b>Effective Term:</b>                                                                                                                             | FA 2026                                                                                                                                                                                                                                                                                                                                        |