Unit 6 - Cash and Internal Control

Content Area: **Business Education**
Course(s): **Accounting 1**
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Enduring Understandings

Samples

It is important that a company's financial statements faithfully represent the company's operations - that is, that the statements are free from material error.

Essential Questions

Samples

How can a company's bank and other users of financial statements be confident that the company has an adequate system of internal control?

Content

Authorization

Bank reconciliation

Bank statement

Bonding

Cash equivalents

Check authorization

Control activities

Control environment

Deposits in transit

Electronic funds transfer

Imprest system

Information and communication

Internal control

Monitoring

NSF (nonsufficient funds) checks

Periodic independent-verification

Petty cash voucher

Physical controls

Physical inventory

Purchase order

Purchase requisition

Receiving report

Risk assessment

Separation of duties

Skills

Bloom's Taxonomy

Describe the components of internal control, control activities, and limitations on internal control.

Apply internal control activities to common merchandising transactions

Define cash equivalents, and explain methods of controlling cash, including bank reconciliations.

Demonstrate the use of a simple petty cash system.

Identify the internal control roles of management and the auditor.

Resources

Standards

NJ: 2014 CCCS: 21st Century Life and Careers
NJ: Grade 12
9.1 Personal Financial Literacy
Strand B: Money Management
9.1.12.B.8 Describe and calculate interest and fees that are applied to various forms of spending, debt, and saving.
Strand D: Planning, Saving, And Investing
9.1.12.D.4 Assess factors that influence financial planning.
9.1.12.D.7 Explain the risk, return, and liquidity of various savings and investment alternatives.