

# Unit 6: Cash Control Systems

Content Area: **Business**  
Course(s): **Accounting I**  
Time Period: **4 weeks**  
Length: **4 weeks**  
Status: **Published**

## Unit Overview

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Students will be able to develop a strategy for an effective cash control system.

## Transfer

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Students will be able to independently use their learning to make the best decisions about creating an effective cash control system for a business and in their personal lives.

## Meaning

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## Understandings

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Students will understand ...

- Accounting terms related to using a checking account and a petty cash fund.
- Accounting concepts and practices related to using a checking account.
- Business papers related to using a checking account.
- The process involved in reconciling a bank statement.
- The process of journalizing dishonored checks and electronic banking transactions.
- The process in establishing and replenishing a petty cash fund.

## Essential Questions

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Students will keep considering...

- What are cash controls and what are their role in the accounting cycle?

- What are important business papers related to a checking account?
- How can I differentiate between endorsements on a check?
- What are the steps to filling out a check and check stub?
- Why would a depositor's records and bank's records differ?
- Why would a bank dishonor a check?
- How are dishonored checks and electronic transactions journalized?
- Why do businesses use petty cash funds?
- What is the difference between establishing and replenishing a petty cash fund?
- What accounting concepts apply to this chapter?

## **Application of Knowledge and Skill**

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### **Students will know...**

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Students will know...

- Accounting terms related to using a checking account and a petty cash fund.
- Accounting concepts and practices related to using a checking account.
- Business papers related to using a checking account.
- The process involved in reconciling a bank statement.
- The process of journalizing dishonored checks and electronic banking transactions.
- The process in establishing and replenishing a petty cash fund.

### **Students will be skilled at...**

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Students will be skilled at...

- Defining accounting terms related to using a checking account and a petty cash fund.
- Identifying accounting concepts and practices related to using a checking account.

- Preparing business papers related to using a checking account.
- Reconciling a bank statement.
- Journalizing dishonored checks and electronic banking transactions.
- Establishing and replenishing a petty cash fund.

## **Academic Vocabulary**

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bank statement: a report of deposits, withdrawals, and bank balances sent to a depositor by a bank

blank endorsement: an endorsement consisting only of the endorser's signature

checking account: a bank account from which payments can be ordered by a depositor

code of conduct: a statement that guides the ethical behavior of a company and its employees

debit card: a bank card that automatically deducts the amount of a purchase from the checking account of the cardholder

dishonored check: a check that a bank refuses to pay

electronic funds transfer: a computerized cash payments system that transfers funds without the use of checks, currency, or other paper documents

endorsement: a signature or stamp on the back of a check transferring ownership

petty cash: an amount of cash kept on hand and used for making small payments

petty cash slip: a form showing proof of a petty cash payment

postdated check: a check with a future date on it

restrictive endorsement: an endorsement restricting further transfer of a check's ownership

special endorsement: an endorsement indicating a new owner of a check

## **Learning Goal 1**

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Students will be able to assess and apply strategies for an effective cash control system.

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CRP.K-12.CRP8

Utilize critical thinking to make sense of problems and persevere in solving them.

CRP.K-12.CRP11

Use technology to enhance productivity.

PFL.9.1.12.B.1	Prioritize financial decisions by systematically considering alternatives and possible consequences.
PFL.9.1.12.B.9	Research the types and characteristics of various financial organizations in the community (e.g., banks, credit unions, check-cashing stores, et. al.).
PFL.9.1.12.C.1	Compare and contrast the financial benefits of different products and services offered by a variety of financial institutions.
PFL.9.1.12.E.1	Evaluate the appropriateness of different types of monetary transactions (e.g., electronic transfer, check, certified check, money order, gift card, barter) for various situations.
PFL.9.1.12.E.2	Analyze and apply multiple sources of financial information when prioritizing financial decisions.
PFL.9.1.12.E.3	Determine how objective, accurate, and current financial information affects the prioritization of financial decisions.
PFL.9.1.12.E.5	Evaluate business practices and their impact on individuals, families, and societies.
PFL.9.1.12.G.1	Analyze risks and benefits in various financial situations.
CAEP.9.2.12.C.9	Analyze the correlation between personal and financial behavior and employability.
TECH.8.1.12.A.CS2	Select and use applications effectively and productively.

### **Target 1**

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Differentiate between and prepare business papers (including endorsements) related to using a checking account while defining appropriate terms and applying appropriate concepts.

- Differentiate between and prepare business papers (including endorsements) related to using a checking account while defining appropriate terms and applying appropriate concepts.

### **Target 2**

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Reconcile a bank statement while defining appropriate terms and applying appropriate concepts.

- Reconcile a bank statement while defining appropriate terms and applying appropriate concepts.

### **Target 3**

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Journalize dishonored checks and electronic banking transactions while defining appropriate terms and applying appropriate concepts.

- Journalize dishonored checks and electronic banking transactions while defining appropriate terms and applying appropriate concepts.

### **Target 4**

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Establish and replenish a petty cash fund while defining appropriate terms and applying appropriate concepts.

- Establish and replenish a petty cash fund while defining appropriate terms and applying appropriate

concepts.

## **Formative Assessment and Performance Opportunities**

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- Class discussion
- Collection of vocab
- Presentation of ideas
- Review of workpapers
- Teacher observation
- Use of technological resources for quick assesement i.e. Socrative.com

## **Summative Assessment**

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- Chapter Test and Benchmark

## **Accommodations/Modifications**

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- Application Problems for extra practice
- Cases for critical thinking at the end of the chapter
- Creative Cash Controls
- Petty Cash Predicament
- Project: Accounting Board - Categorize Accounts on the Accounting Equation
- Recycle Problem for extra credit

## **Unit Resources**

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Teacher can choose from the following resources:

- Book Companion Website
- Century 21 Accounting 9E
- Century 21 Accounting Simulation
- Chapter PowerPoints
- Computer
- Document Camera
- Guest Speakers
- Interactive Excel Spreadsheets
- Quickbooks
- Videos
- Whiteboards

- Workbook

## Interdisciplinary Connections

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MA.K-12.1	Make sense of problems and persevere in solving them.
MA.K-12.4	Model with mathematics.
LA.RST.11-12.3	Follow precisely a complex multistep procedure when carrying out experiments, taking measurements, or performing technical tasks; analyze the specific results based on explanations in the text.
LA.RST.11-12.4	Determine the meaning of symbols, key terms, and other domain-specific words and phrases as they are used in a specific scientific or technical context relevant to grades 11-12 texts and topics.
MA.S-IC.B.6	Evaluate reports based on data.
LA.WHST.11-12.9	Draw evidence from informational texts to support analysis, reflection, and research.