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Course Information

Course Title: *Accounting Procedures Guidebook*

#360924

Number of continuing education credit hours recommended for this course:

In accordance with the standards of the National Registry of CPE Sponsors CPE credits have been granted based on a 50-minute hour.

CPA:11 (Accepted in all states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 0004761 (Ethics #0011467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy (for ethics): 002146

Ohio State Board of Accountancy: CPE .51 PSR

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

Course Description

The typical business needs a system of policies and procedures in order to reduce errors, minimize fraud, and maintain tight control over its operations. The *Accounting Procedures Guidebook* contains the detailed procedures and forms needed for every accounting system, from accounts payable to treasury, as well as for such operational areas as order entry, shipping, purchasing, and receiving. Procedures are separately stated for manual and computerized accounting systems. The course also addresses how to create and enforce procedures, as well as when to update them. In short, this course provides the baseline policy and procedure information needed to enhance the operations of any business.

Course Content

Publication/Revision date: 7/13/2024.

Author: Steven M. Bragg, CPA.

Final exam (online): Fifty-five questions (multiple-choice).

Program Delivery Method: NASBA QAS Self-Study (interactive)

Subject Codes/Field of Study

NASBA (CPA): Accounting

Course Level, Prerequisites, and Advance Preparation Requirements

Program level: Overview

Prerequisites: Basic familiarity with accounting practices.

Advance Preparation: None

Instructions for Taking This Course

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- You must complete this course within one year of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- To retain the course-PDF after completion (for future reference) and to enable enhanced navigation: From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- Complete the course by following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- Once you have completed studying the course and you are confident that the learning objectives have been met, answer the final exam questions (online).

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- Log in to your secure account at www.bhfe.com. Go to "My Account."
- A passing grade of at least 70% is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Objectives

- Specify the situations in which procedures should or should not be employed, and the best procedure format to use. Also note the constituencies most interested in the development of procedures.
- Specify the uses of order forms and return merchandise authorizations, and the application of verification techniques in the order entry process flow.
- Identify the clauses and documents used in a credit review, as well as the triggering events for credit changes.
- Specify the documents required in the shipping process flow.
- Specify the flow of documents required to produce a customer invoice.
- Specify the uses to which a credit memo can be put, and the positions involved in the collection process.
- Identify the steps in the cash receipts process flow.
- State the authorizing documents used to order goods and services, as well as the steps in the purchasing process.
- Specify the control points in the analysis and processing of procurement card statements.
- Identify allowable items to include in an expense report and situations in which per diem payments are made.
- Recognize the situations in which the petty cash amount should be altered, and actions to take if a variance is found.

- Recognize the documents used to control the inflow of goods to a business, and the contents of inventory tags.
- Specify the reasons for using three-way matching and the variations on this concept to improve the processing of payables, as well as the use of adjustment letters.
- Identify the reasons for verifying count tags and the uses to which a cycle counting report can be put.
- State the differences between a timesheet and timecard, and note the contents of an employee record. Also recognize the types of employee pay deductions.
- Specify the reasons for using a capital request form, the steps required to dispose of a fixed asset, and whether to engage in a post installation review.
- Identify how investable cash is calculated, the use of a cash concentration account, and when to distribute inter-company cash.
- Identify the situations in which subsidiary ledgers are closed, when approvals are needed before financial statements can be issued, and the approval process for EDGARizing financial statements.

About the Author

Steven Bragg, CPA, has been the chief financial officer or controller of four companies, as well as a consulting manager at Ernst & Young. He received a master's degree in finance from Bentley College, an MBA from Babson College, and a Bachelor's degree in Economics from the University of Maine. He has been a two-time president of the Colorado Mountain Club, and is an avid alpine skier, mountain biker, and certified master diver. Mr. Bragg resides in Centennial, Colorado. He has written more than 300 books and courses, including *New Controller Guidebook*, *GAAP Guidebook*, and *Payroll Management*. He has also written the science fiction novel *Under an Autumn Sun*, first book in *The Auditors* trilogy.

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Published by AccountingTools, Inc., Centennial, Colorado.

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ISBN-13: 978-1-938910-59-3

Printed in the United States of America

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Preface

A business needs a set of well-designed procedures to ensure that its transactions are completed in a uniform manner. Otherwise, a company will experience inefficiencies and an increased incidence of fraud, and will spend an inordinate amount of time correcting transaction errors. The *Accounting Procedures Guidebook* is designed to rectify these problems by walking you through dozens of accounting and operational procedures and forms. Applying these procedures to a business makes it easier to manage, increases operational efficiencies, reduces errors, and enhances the level of control.

In Chapter 1, we discuss the need for accounting procedures, how to determine the correct number of procedures to develop, and how to create and distribute them. In Chapters 2 through 7, we cover the procedures needed for the sales cycle, from the initial receipt of orders through credit planning, shipping, billing, collections, and the receipt of cash. In Chapters 8 through 13, we describe the procedures needed for the procurement cycle, including purchasing, accounts payable, receiving, and several related topics. In Chapters 14 through 17, we address the same types of information for inventory, payroll, fixed assets, and treasury activities. Finally, Chapter 18 addresses the process flows for closing the books of a private company and a public company. The presentation in Chapters 2 through 18 includes forms, procedures, and flowcharts.

The answers to many questions about accounting procedures can be found in the following chapters, including:

- How do I format a procedure?
- How do I handle deviations from procedures?
- How do I handle a return merchandise authorization?
- What process should I follow for a credit examination?
- What controls should be placed on the shipping of goods?
- Which format should I use for a statement of account?
- Which controls should I include in a cash receipts procedure?
- How do I construct a purchasing procedure?
- What system is needed to manually process expense reports?
- How does the three-way matching process work in accounts payable?
- How do I conduct a physical inventory count?
- What is the procedure for processing payroll?

The Accounting Procedures Guidebook is designed for both professionals and students. Professionals can use it as a reference tool for creating and revising procedures and forms, while it provides students with an overview of the entire system of procedures. Given its complete coverage of the accounting procedures topic, *The Accounting Procedures Guidebook* may earn a permanent place on your book shelf.

Centennial, Colorado
July 2024