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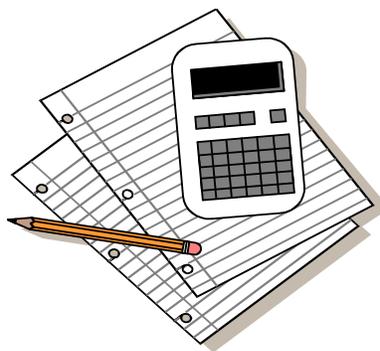
**HOW TO PREPARE GUIDE**

**FOR THE**

**SENIOR ACCOUNTANT**

**10613**

**WRITTEN EXAMINATION**



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# **How to Prepare for the Senior Accountant (10613) Written Examination**

## **I. INTRODUCTION**

The purpose of these instructions is to help you prepare for the multiple-choice examination which is being given for the Senior Accountant classification with the State of Alabama. It is very important that you sit down in a quiet place and review the material in this book. You should also set aside time to practice doing the things that are suggested in this booklet to prepare for the examination. Please remember that the material in this booklet is designed to help you prepare for the exam. You will not need the material in this booklet at the time you actually take the exam. Therefore, you will not be allowed to carry this booklet into the exam session. Later in this booklet, we will instruct you on what you are **allowed** to bring to the exam session and what you **must** bring to the exam session. You will not be allowed to bring this booklet to the exam with you.

## **II. JOB PREVIEW**

This is advanced professional accounting/auditing and/or supervisory work in directing or coordinating major accounting, auditing, or fiscal operations. Employees in this class serve as the departmental financial officer directing or coordinating major accounting or fiscal operations of a state agency intermediate in size having a small or medium-sized accounting system. They may also function in the capacity of assistant to the chief financial officer in an agency with a more complex accounting system, or supervise a section of the accounting operations of an agency with highly complex accounting systems. Others may be in a specialized position where no supervisory duties are involved and the incumbent acts as a statewide expert in their specific discipline. Some employees in this class supervise and/or participate in extensive audits of outside funds, non-governmental entities, and grant receipts of increased complexity. Work is performed with a high degree of independence but is subject to final review and additional direction by administrative superiors.

## **III. PREPARING FOR THE EXAM**

### **A. General Information on “What to Do Before the Exam”**

Here are some suggestions for what to do before the exam and for getting to the testing place on time and with the proper things that you will need to take the test.

1. Be well rested. Get a good night’s sleep for several nights in a row before the written examination.

2. Allow plenty of time to get to the examination site. If you are rushed and late, you will be upset when you get there. Plan to get there at least 20 minutes before time for the examination to begin.
3. Do not bring cell phones to the testing site. Pagers should only be brought if it is absolutely necessary. All pagers must be set to vibration mode.
4. Come dressed comfortably. The total time provided for completion of this exam will be three (3) hours.
5. You should read and study this booklet. You should practice the kinds of things that this booklet suggests that you practice.
6. Do **not** bring this booklet or any other reading or study materials to the exam. You **will not** be permitted to bring them in. All materials needed to complete the exam will be given to you at the exam.
7. You **must** bring the EXAM NOTIFICATION LETTER or NOTIFICATION POSTCARD that you received from the State of Alabama Personnel Department to the examination site.
8. To protect your own interests, you will also be asked to bring PICTURE IDENTIFICATION to the examination site. This may be a valid driver's license, a military identification card, a student identification card, or some other form of PICTURE IDENTIFICATION. You only need one form of PICTURE IDENTIFICATION.
9. You **will not be allowed** to enter the examination site or take the exam without your NOTIFICATION LETTER/POSTCARD **and** PICTURE IDENTIFICATION.
10. Bring several number 2 pencils with erasers to the exam. It is also recommended that you bring a highlighter pen and a calculator. Small solar powered or battery operated calculators that perform basic functions such as addition, subtraction, multiplication, division, square roots, or percentages are allowed. Calculators that plug-in, utilize tape, have word processing, spelling, thesauruses, or other storage and retrieval capabilities (except basic memory functions) are not allowed. Calculators that are a feature on a cell phone are not permitted. Calculators are subject to inspection by exam monitors. Applicants may not borrow or share calculators at the exam site.

**B. General Information on “What to Do During the Exam”**

1. In an exam like this one, some questions are easy and some are hard. Don't give up. Probably no one will make a perfect score. If it is hard for you to figure out an answer, it is probably hard for other people too. Keep your mind on the test, and try to answer every question. Mark an answer on your answer sheet even if it is a guess. **You will not be penalized for guessing.** On the other hand, do not spend too much time on any one question

just because it is hard. This may not leave you enough time to answer the remaining test questions.

2. You will have 3 hours to complete the exam. Use your time efficiently. The exam is not a test of how quickly you can answer questions. However, it does not allow you all the time you might like to have. In the parts of the test that require reading, try to keep a steady pace. Try to finish as much of the test as you can.
3. An examination monitor will be at your test site when you report. The monitor will check your Picture Identification and Exam Notification Postcard, and then will provide you with test materials. You **must** follow the instructions of the monitor at all times.
4. The examination monitor will provide you with instructions concerning restroom availability during the test administration. It is important to remember that the time that you take to use the restroom is time away from working on the examination. So, we recommend that you use the restroom before the examination, if possible.
5. You are not to open any examination booklets or instructions or begin working on the exam until you are instructed by the monitor to do so.
6. The only materials you need to bring to the test site are a Picture Identification, Exam Notification Postcard, several number 2 pencils, and a calculator that performs only the basic functions of addition, subtraction, multiplication, and division. You may also bring a highlighter pen. No other materials will be allowed in the test site.
7. Candidates making any disturbances or caught cheating will be disqualified from the exam.
8. Test monitors can answer questions concerning exam administration issues only. They **will not** be able to interpret exam questions for you.
9. You should always check to make sure that your answers to questions are marked in the location on the answer sheet that matches the number of the question you are answering.
10. If you have time remaining after you have completed the test, it is always a good idea to review your responses on the more difficult questions. Once you have finished, notify the monitor for instructions.
11. In summary, there are two things you can do that will make you feel more comfortable taking the exam: 1) follow the guidelines presented in this booklet on how to prepare for the exam and 2) become familiar with what kinds of questions will be used in the exam.

#### **IV. EXAMINATION DESCRIPTION**

The examination will last 3 hours. The exam consists of 100 multiple-choice questions that are divided over 6 sections. You will find descriptions of each section and examples of exam items below. Please review these items in order to familiarize yourself with the kinds of questions you will be asked and the format of the exam.

##### **SECTION 1**

**Accounting Concepts.** This section is designed to test your knowledge of accounting to include Generally Accepted Accounting Principles and governmental accounting and your ability to apply accounting principles and techniques.

- (1) Which of the following is an accrued liability?
- A. Automobile insurance
  - B. Wages payable
  - C. Rent revenue collected one month in advance
  - D. Portion of long-term debt payable in current year

The correct answer is "B."

- (2) A record of all transactions affecting trade debtors is called a(n) \_\_\_\_\_.
- A. voucher register
  - B. journal
  - C. accounts receivable ledger
  - D. accounts payable ledger

The correct answer is "C."

##### **SECTION 2**

**Mathematical Operations.** This section is designed to test your knowledge of math and your ability to add, subtract, multiply, and divide.

An employee has three separate periods of employment with a state agency: January 1999 through October 31, 2000; December 1, 2003 through January 31, 2005; and July 1 2006 through March 31, 2008. What is the person's total length of service with the agency?

- A. 45 months
- B. 54 months
- C. 57 months
- D. 69 months

The correct answer is "C."

### **SECTION 3**

**Auditing Standards. This section is designed to measure your knowledge of Generally Accepted Auditing Standards (GAAS) and Generally Accepted Governmental Auditing Standards (GAGAS).**

The two paragraphs normally included in the independent auditor's short-form report are called the \_\_\_\_\_.

- A. standards and principles paragraphs
- B. standards and scope paragraphs
- C. opinion and principles paragraphs
- D. scope and opinion paragraphs

The correct answer is "D."

### **SECTION 4**

**Financial Analysis. This section is designed to measure your ability to read and comprehend financial/numerical information, to quickly & accurately compare details, and to recognize and respond to unusual patterns.**

In South Grocery Co.'s 2005 single-step income statement, the section titled *Revenues* consisted of the following:

Net sales revenue		\$187,000
Results from discontinued operations:		
Loss from operations of segment (net of \$1,200 tax effect)	\$(2,400)	
Gain on disposal of segment (net of \$7,200 tax effect)	<u>14,400</u>	12,000
Interest revenue		10,200
Gain on sale of equipment		4,700
Cumulative change in 2003 and 2004 income due to change in depreciation method (net of \$750 tax effect)		<u>1,500</u>
Total Revenues		<u>\$215,400</u>

In the revenues section of the 2005 income statement, South Grocery Co. should have reported total revenues of:

- A. \$216,300
- B. \$215,400
- C. \$203,700
- D. \$201,900

The correct answer is “D.”

## **SECTION 5**

**Written Communication. This section is designed to measure your knowledge of English and your ability to communicate in writing using proper grammar, punctuation, and sentence structure.**

Select the sentence that best represents Standard English usage.

- A. Management has wrote an Income and Expense Report for 2004.
- B. Management has written an Income and Expense Report for 2004.
- C. Management wrote a Income and Expense Report for 2004.
- D. Management has written a Income and Expense Report for 2004.

The correct answer is “B.”

## **SECTION 6**

**Read and Comprehend. This section is designed to measure your ability to read and interpret federal and state rules and regulations and your ability to read and understand written material.**

Most merchandising concerns deal in finished products and would recognize revenue at the point of sale. This is often identified as the moment when title legally passes from seller to purchaser. At the point of sale there is an arm’s length transaction to objectively measure the amount of revenue recognized. With accounting theory based heavily on objective measurement, it is logical that point of sale transaction revenue recognition would be used by many firms, especially merchandising concerns.

Based on the preceding passage, \_\_\_\_\_.

- A. objective measurement is a basis for accounting theory
- B. most merchandising concerns recognize revenue prior to the beginning of the fiscal year
- C. merchandising concerns dealing in finished products use accrual accounting
- D. cash sale transactions are easier to read

The correct answer is “A.”

## V. ADDITIONAL INFORMATION FOR TAKING THIS EXAM

### A. Strategies for Taking the Exam

By following the suggestions listed below, you can do your best:

- **Read the questions carefully.**

Be sure you know what the question asks and what the choices say before you try to answer the question. On every test, people choose wrong answers simply because they failed to pay attention to part of the question or failed to read all of the answer.

- **Decide something about each question.**

1. You may decide you know the answer. Mark your answer on the answer sheet. Spend no more time on that question.
2. You may decide you are fairly sure of the answer, but may want to think more about it. Mark your answer sheet and make a note of it in the test booklet so it will be easier to find later.
3. You may decide one or two answers are definitely not the best. Eliminate the answers you know are wrong then direct your attention to those choices that are potentially correct.
4. You may decide that figuring out the answer is possible, but will take you a lot of time. Don't mark any answer. Note the question in your test booklet so you can find it when you are ready to come back to it. Make sure you finish the test in enough time to come back to answer the question.
5. You may decide you don't know the answer and that all you can do is make a guess. Make the guess. Mark the answer sheet to show your answer. Don't waste any more time on that question. There is no penalty for guessing and sometimes you may guess right.

- **Don't change answers unless you have a good reason.**

When people change their answers, they more often change from a right answer to a wrong one rather than from a wrong answer to a right one. The reason seems to be that they start thinking about some specific case, which results in choosing an answer on the basis of facts that are not given in the question. Or, people think about what some part of a question says and forget about what the rest of the question said.

- **Use your time efficiently.**

You may not have all of the time you might like to complete the test. In the parts of the test that require reading, read at a normal pace so that you can finish the test and have time to go back and work on the questions you saved until last.

- **Don't give up.**

Many people give up too easily on test questions. If the question looks too hard, they don't even try. Look for the specific information needed to answer the question. However, do not spend too much time on any one question just because it is hard. Doing so may not leave you enough time to answer the remaining questions.

## **B. Study Suggestions**

You may find some of the following ideas helpful in preparing for the exam:

- Do not prepare for the exam in a single session.
- Study in a quiet place. Do not study when you are doing something else.
- Make up your own tests and take them.
- Study the Sample Test Items in this How to Prepare Guide.
- Study whatever material you believe will assist you in learning the knowledges and abilities required for the Senior Accountant position as listed in Section IV of this booklet.

## **VI. EXAM ADMINISTRATION INFORMATION**

### **A. What To Bring To the Examination**

- Remember to bring to the exam the NOTIFICATION POSTCARD that you received from the State of Alabama Personnel Department. You will **not be allowed** to take the exam without your NOTIFICATION POSTCARD.
- To protect your own interests, you will also be asked to bring a PICTURE IDENTIFICATION to the exam location. This might be a valid driver's license, a military identification card, a student identification card, or some form of picture identification. You only need to have one form of PICTURE IDENTIFICATION.
- Bring several number 2 pencils with erasers to the exam. It is also recommended that you bring a highlighter pen.

- You may bring a calculator to use for the Senior Accountant examination. Small solar powered or battery operated calculators that perform basic functions such as addition, subtraction, multiplication, division, square roots, or percentages are allowed. Calculators that plug-in, utilize tape, have word processing, spelling, thesauruses, or other storage and retrieval capabilities (except basic memory functions) are not allowed. *Calculators that are a feature on a cell phone are not permitted.* Calculators are subject to inspection by exam monitors. Applicants may not borrow or share calculators at the exam site.
- Remember, you will **not be allowed** to enter the exam location or take the exam without your NOTIFICATION POSTCARD **and** PICTURE IDENTIFICATION.
- Do **NOT** bring this Booklet to the exam location. You will not be permitted to bring it in the testing room.
- Do **NOT** bring any of your study materials to the exam. This includes notes, manuals, and other study materials.

## **B. Taking the Exam**

You will be given 3 hours to complete the exam. Use your time efficiently. The exam is not a test of how quickly you can answer questions. However, it does not allow you the time you might like to have. In the parts of the test that require reading, try to keep a steady pace. Try to finish as much of the test as you can.

While reading passages, you may want to take a few notes. Make your notes brief. You may also want to underline or highlight important information as you read.

Don't give up. Many people give up too easily on tests. If the question or problem seems hard, they do not even try. Mark an answer on your answer sheet even if it is a guess. You will not be penalized for guessing. On the other hand, do not spend too much time on any one question just because it is hard. This may not leave you enough time to answer the remaining questions.

## **VII. EXAM CONTACT**

The contact person for the Senior Accountant examination is Jill Hughes, a Personnel Analyst with the State Personnel Department. If you have questions about the contents of this document, please call her at (334) 242-3389.

## **I. GENERAL QUESTIONS ABOUT THE EXAM**

You should contact the State Personnel Department if you have questions about the examination administration as you prepare to take the exam. Exam administrators are not allowed to divulge specific information about the content of the exam.

### Reasonable Accommodations

If you would like to request special testing accommodation or have any questions concerning the test site or testing conditions, please contact the State Personnel Department at (334) 242-3389.

### Rescheduling a Written Examination

If there is a conflict in your schedule, and you are unable to attend the written exam at the time and date for which you have been scheduled, you must resubmit your Application for Examination. The State Personnel Department will schedule you for the next available administration of this written test.

### Test Results

Four to six weeks after completing the exam, you will receive a Notice of Examination Results postcard in the mail. This postcard will identify your score, or Band placement, for the written exam. If you have not received your score within four to six weeks, you should call the State Personnel Department

In addition to your Band placement, you may also obtain your standing, or rank on the register, online at [www.personnel.alabama.gov](http://www.personnel.alabama.gov). From the home page, you should click on “Applicants” and then “Register Standing”, and follow the instructions. For security purposes, you must now create an online profile in order to access your standing.

## **VIII. BANDED SCORING**

When the exam for Senior Accountant is graded, the scores will be grouped into bands. When you receive notification of how you did on the exam, you will not be given a numerical score (e.g., you will not receive a score of 95 out of 100.). Rather, you will be informed into which band your score fell. The following is information to help you understand the banding procedure.

### **What is banding?**

Banding is one way to reduce the impact of fluctuations in test scores that do not provide meaningful information about differences in the ability to do the job. One important purpose of testing is to identify the differences in test scores that reflect real differences among candidates. Banded scoring is a statistical procedure for grouping raw test scores that statistically are not

meaningfully different from one another. In banded scoring, bands are set objectively and mathematically. They are not manipulated arbitrarily.

### **Misconceptions about banding**

There are many misconceptions about banding and the use of banded scores. Some of the most common misconceptions are listed below. Each misconception is followed by a clarification.

- **Misconception: Each band should have the same number of people.**

The people in a band are similar to each other in that statistically there is no meaningful difference in their scores. Sometimes Band 1 may be very large and at other times it may be small. We do not force bands to be a certain size. The size of the bands is based on the scores people make.

- **Misconception: Band numbers have no meaning. I don't have a score.**

Think of a band as a group of tied scores. Think of a band as a group of scores that statistically are not meaningfully different. In school, two students with average grades of 94.5 and 94.3 would both be grouped into a band called "A" because the teacher cannot be sure that .2 of a point is a real difference in achievement. Think of scores on achievement tests children take in school. The fine print on the tests always cautions you not to focus on the numerical score but rather on the comparative score which uses some grouping technique such as percentiles, stanines, standard deviations, grade levels, etc. These grouping techniques are considered forms of banding.

- **Misconception: Band numbers are the same as letter grades.**

Band 1 does not equate to an "A," Band 2 to a "B," etc. In school a predetermined numerical score (e.g., 90-100) equals an A. In banding, scores are banded only in relation to one another. Unlike grade school bands, the width of bands is not set in advance. You compete against your peers only. Your scores are set in relation to your peers only.

- **Misconception: A band score on one test has the same value as a band score on another test.**

Banded scores are test specific and cannot be compared to banded scores on other tests.

- **Misconception: People who have been on the job longest should be in the top bands.**

Time spent in a job may not be the same as skill in doing the job. The people with the strongest skills (or who did best on the exam) should be in the top bands. Some of these people will have been in the job longer than others. Years of service do not always equal proficiency.

- **Misconception:** **A standing in Band 4 or below automatically indicates failure or ineligibility for jobs.**

This statement is false. A band score of 4 or lower is not automatically equated with failure. The true test of your employment opportunities is whether or not you can be certified and considered for a job vacancy.

- **Misconception:** **Banding replaced the “Rule of 10.”**

Banding did not replace the “Rule of 10.” The “Rule of 10” determines the number of bands to be certified. In the past, tied scores referred to an actual numerical score (e.g., two candidates with a score of 98.98 were considered tied) while now all of the scores within a band are considered tied.

- **Misconception:** **People in a band do not differ.**

When several people are placed in the same band, it does not mean that those people do not differ. Instead, it means that their scores on the exam do not differ enough to be separate scores.

## **IX. STATE PERSONNEL TERMINOLOGY**

The following are terms that are used by State Personnel regarding test scores and employment that results from those scores. This section is provided to help you understand State Personnel terminology and procedures.

**Register:** A register is a list of all individuals who have successfully completed the selection procedure for a State Merit System job. The register is a complete list of individuals who are eligible for employment in a certain job classification.

**Certification:** A certification is a list of the top ten individuals on an employment register. These are the individuals who are immediately appointable to positions. A register that uses Banded Scoring may produce a certification with more than ten names. If Band 1 contains 15 names, then all 15 individuals will be on the Certification. Likewise, if Band 1 contains 3 people and Band 2 contains 25 people, then all individuals in both Bands 1 and 2 would be on the certification. Since individuals within a Band are considered to be tied, the certification cannot split up a Band. Certifications may be state-wide or specific to a county within the state.

**Test Failure:** Some multiple-choice tests administered by the state use a Pass/Fail point to identify individuals who failed the test.