

Accounting 380K.6
Accounting and Control in Nonprofit Organizations (Government Accounting)
(#02630)
Spring 2018
Professors Michael H. Granof and Gretchen Charrier

1. **Offices:** Prof Granof: CBA 4M.246;
Prof: Charrier GSB 5.126D;
Aimee Low (TA): Meeting space to be announced
2. **Office hours:** Prof. Granof: Tuesday & Thursday 11:00 – 11:45 and 1:30 - 2:30; Do not hesitate to set up an appointment for other times
Aimee Low: To be announced
3. **E-Mail address:** Michael.Granof@mcombs.utexas.edu
aimeeklow@utexas.edu
4. **Assistance:** A teaching assistant, Erin Markey, will be assisting the instructors with grading of homework and exams. Do not hesitate to contact her with any homework or grading problems. Her office location will be announced in class and posted on Canvas.
5. **Text:** Granof, *Government and Not-For-Profit Accounting*, 8th edition (New York: John Wiley, 2019). A student website accompanies the text. It contains Power Point summaries of each chapter as well as other material that you might find helpful. It can be accessed at: <http://bcs.wiley.com/he-bcs/Books?action=index&bcsId=9806&itemId=1118983270>
6. **Canvas:** The instructor will post on *Canvas* the course syllabus, announcements, supplementary readings, old exams, solutions to homework assignments and computer files. You will be held accountable for all materials posted on Canvas. The computer files (mostly in Excel or Word format) are generally templates that will serve as the basis for class discussion. You are strongly advised to check Canvas prior to each class meeting and to either print or download to your computer the relevant templates.
7. **Exams and quizzes:** There will be two 75 minute exams and a final. In addition there may be occasional short (5 minute), unannounced, quizzes. A grade of zero will be assigned for any quiz that is missed. However, in calculating final grades, the lowest quiz grade will be dropped. The quizzes will cover the text material assigned for the day.

Under no circumstances will a student be permitted to take an exam before it is given to the class as a whole. The final exam is *tentatively* scheduled for

Wednesday, May 15 from 9:00 a.m. to 12:00 noon. Do not make plane reservations for a flight before that date.

8. **Written Assignments:** Written problems have been assigned for almost every class. These assignments are to be turned in on the days that they are due. **The assignment schedule (including dates of exams) is subject to change during the semester. You will be held accountable for all changes that are announced in class or posted on Canvas.**

The written assignments will be marked satisfactory or unsatisfactory. They will count toward 10 percent of your final grade. You will start with a score of 100 points. You will be permitted to miss one assignment without penalty. Thereafter, you will lose ten points for each assignment missed and each marked unsatisfactory. However, if you miss an excessive number of assignments, the instructor, at his discretion, may report a course grade of "incomplete" pending submission of the missing assignments.

Assignments should be submitted electronically via Canvas. Late assignments will be accepted only in unusual circumstances and with instructor permission.

If you are planning to take the CPA exam in the near future you should consider reviewing all the exercises (as opposed to problems) in the text, especially the multiple choice questions.

9. **Continuing Problem:** A "continuing problem" has been assigned for each of the chapters in which one is included. This problem requires that you review the comprehensive annual financial report (CAFR) of Austin. Use the report as of September 30, 2017 (the latest available). The report is available on the internet at: <https://assets.austintexas.gov/financeonline/downloads/cafr/cafr2017.pdf>

In answering the questions included in these problems you need not provide elaborate explanations – a phrase or two, plus the page or schedule in which you found the answer, will be adequate.

10. **Research questions:** Several of the homework questions are labeled "Questions for Research, Analysis and Discussion" and deal with current accounting issues. Many of these questions ask for your opinion. They may not have a definitive answer. However, for the perspective of the Governmental Accounting Standards Board, you are encouraged to consult the Board's standards and other pronouncements. These can be found on the *Governmental Accounting Research System* (GARS), which can be accessed through the American Accounting Associations website:

<http://aaahq.org/ascLogin.cfm>

To log in, enter AAA75945 as the username and Acce7594 as the password. The GARS is also available in the UT Library's *Accounting Research Manager* electronic data base. Although your written response may be exceedingly brief, you should most definitely consider carefully the issues addressed.

11. ***Class Participation:*** You are required to attend class and you are strongly encouraged to take an active part in class discussions. Do not hesitate either to present your own views or to challenge comments of the instructor or your classmates. Because the class sessions will generally be discussions rather than lectures, it is essential that you come to class having completed the assigned homework. **Your final grade may be severely affected by poor preparation for, or absence from, class.**
12. ***Use of Computers in the Classroom:*** The instructor permits students to use laptops or tablets in the classroom. Many of the files made available on Canvas are designed so that students can insert journal entries, numeric values and notes in the course of the classroom discussion. **However, electronic devices are not to be used for other purposes, such as checking e-mail, surfing the web or working on assignments for other courses. Accordingly, students should not connect to the internet during class sessions.**
13. ***Name Cards:*** Students will be required to bring their name cards to class and display them at all times. Should you forget your card, or not have been provided one, please ask the instructor for materials to make one.
14. ***Grades:*** Grades will be determine as follows:

| | |
|---------------------|---------------|
| Final exam | 37.5% |
| Hour exams | 37.5% |
| Quizzes (If given) | 10.0% |
| Written assignments | 10.0% |
| Class participation | 5.0% |
| | <u>100.0%</u> |

If quizzes are not given the points assigned for them will be divided between the final exam and the hour exams.

Final grades will be established by rank in class, not absolute number of points. Consistent with University policy, plus and minus grades will be assigned.

15. ***Review of Examinations:*** Upon your request, the instructor will review your examinations for errors in grading. **Papers will be accepted for regrading no later than two weeks after the class period in which the exam has been returned to the class at-large.**
16. ***Verification of Grades:*** Student grades, including points earned for homework, will be posted on Canvas. You are responsible for making certain that your grade is

properly recorded, that you have received credit for all homework submitted and for notifying the TA or instructor of any errors. No errors will be corrected after the final grades have been submitted to the registrar.

17. **Honor Code:** The instructor strongly supports the honor system as described in the “Policy Statement on Scholastic Dishonesty in the MPA Program and the Professional Program in Accounting.” By enrolling in this course you implicitly agree to accept the student responsibilities described in these documents. If at any time during the semester the application of the policies to specific assignments is unclear, it is your responsibility to request clarification.
18. **Recording Devices:** The use of recording devices is prohibited, unless explicitly approved by the instructor.
19. **Students with disabilities:** The University of Texas at Austin provides upon request appropriate academic accommodations for qualified students with disabilities. For more information, contact the Office of the Dean of Students at 471-6259, 471-4641 TTY.

Assignments

1. *Tu, 1/22 Introduction*
2. *Th, 1/24 Environment and Characteristics of Nonprofit Reporting*
Text: Chapter I
Problem: I-1,10 and continuing problem (Note: For Chapter I, the continuing problem requires only that you obtain the latest annual report of the City of Austin)
3. *Tu, 1/29 The Fund Structure – Governments*
Text: Chapter II
Exercises: II-3,4,5
4. *Th, 1/31 The Fund Structure – Governments*
Text: Chapter II
Problems: II-10 and continuing problem
5. *Tu, 2/5 Budgets and Other Control Mechanisms*
Text: Chapter III
Exercises: III-7,
Problem: III-3,7 and read problems III-12,13

6. *Th, 2/7 Accounting For Revenues – Governments*
Text: Chapter IV
Problems: IV-1,3 and RAD 5
7. *Tu, 2/12 Accounting for Revenues – Governments*
Problems: IV-10,16 and continuing problem
8. *Th, 2/14 Accounting for Expenditures – Governments*
Text: Chapter V
Exercise V-7
Problems: V-4,7 and RAD 4
9. *Tu, 2/19 Accounting for Expenditures – Governments*
Problems: V-6, 11 and continuing problem
10. *Th, 2/21 Capital Projects and Debt Service*
Text: Chapter VI
Problems: VI-5,6 and RAD 1
11. *Tu, 2/26 Capital Projects and Debt Service*
Problems: VI-11, and continuing problem
12. *Th, 2/28 EXAM – Chapters I – VI*
13. *Tu, 3/5 Long-Lived Assets and Investments*
Text: Chapter VII
Problems: VII-8,10, continuing problem and RAD 2
14. *Th,3/7 Issues of Long-Term Obligations*
Text: Chapter VIII
Problems: VIII-3,4 and RAD 1
15. *Tu, 3/12 Issues of Long-Term Obligations*
Problems: VIII-7,8 and continuing problem
16. *Th,3/14 Accounting for Business-Type Activities*
Text: Chapter IX
Exercise IX-3
Problems: IX-6,10 continuing problem and RAD 4
17. *Tu,3/26 Accounting for Fiduciary Funds*
Text: Chapter X
Problems: X-1,4

18. Th, 3/28 *Accounting for Fiduciary Funds*
Problems: X-6,10 and continuing problem
19. Tu, 4/2 *Issues of Reporting*
Text: Chapter XI
Problems: XI-2 and RAD 4
20. Th, 4/4 *Issues of Reporting*
Problems: XI-7,8 and continuing problem
21. Tu, 4/9 ***EXAM – Chapters VII – XIV***
22. Th, 4/11 *Federal Government Accounting (Note that chapter is out of order)*
Text: Chapter XVI
Additional Reading: The MD&A of the most recent Annual Report of the Federal Government; review, the balance of the report, paying special attention to the basic financial statements
Exercise: XVI-5
Problem: XVI-1
23. Tu, 4/16 *Federal Government Accounting*
Problem: XVI-3,10
24. Th, 4/18 *Not-For-Profit Organizations*
Text: Chapter XII
Problems: XII-3,6
25. Tu, 4/23 *Colleges and Universities and Health Care Providers*
Text: Chapters XIII & XIV
Problems: XIII-7, XIV-2
26. Th, 4/25 *Managing for Results*
This chapter, which was included in previous editions of the text is not included in the 8th ed. It can be found either on Canvas or on the Wiley web site.
Text: Chapter **
Problems: **-4,5
27. Tu, 4/30 *Managing for Results*
Problems: **-9

28. *Th, 5/2 Auditing Governments and Not-For-Profit Organizations*

Text: Chapter XV;

Read and consider “Cases in Ethics” (C1-C10)

Problem: XV-5

29. *Tu, 5/7 Auditing Government and Not-For-Profit Organizations*

Read and consider “Cases in Ethics” (C1-C10)

30. *Th, 5/9 Summary and Course Evaluation*

FINAL EXAM: Saturday, May 12, 7:00 – 10:00 p.m. (tentative)

* RAD = Questions for Research, Analysis and Discussion