

MGT 147: Governmental and Not-for-Profit Accounting Spring 2021 ONLINE

PROFESSOR: Dr. John C. Anderson

EMAIL: jcanderson@ucsd.edu

CLASS LOCATION: ONLINE

OFFICE HOURS: via ZOOM by appointment all week

I am available for you all week, please email me if you need to see me, we can have a zoom meeting at a time that is convenient for you.

COURSE TIMES::

The class time is Tuesday and Thursday, 11:00 to 12:20pm ONLINE.

Note that the ONLINE final is on Tuesday, June 8, 11:30am.

OBJECTIVES

Course Description: Addresses issues faced in government and not-for-profit accounting. Students will gain insight into how and why these issues may have been resolved either similarly or differently from the for-profit business sector. Focus will be placed on how revenue and expense recognition, asset and liability valuation, the scope of the reporting entity, reporting cash flows, etc., differ in comparison to for-profit business accounting.

The course addresses the governmental and not-for-profit content of the Financial portion of the CPA exam. The class covers principles of fund accounting used in state and local governmental units, accounting for not-for-profit organizations, hospitals and other health care providers. Budgetary accounting, appropriations, encumbrances, and fiduciaries (trust funds). This class also covers GASB Statement 34 prescribing government-wide financial statements.

PREREQUISITES

MGT 131B, upper-division standing.

MATERIALS

Required Text: [Accounting for Governmental and Nonprofit Entities](#), by Reck, Lowensohn, and Neely, 18th edition, 2019. The text provides excellent preparation for the CPA exam, addressing the governmental and not-for-profit area in the Financial portion of the CPA exam.

We will be using the Comprehensive Financial Report (CAFR) from San Diego County. For your reference, the web site is

http://www.sandiegocounty.gov/content/sdc/auditor/annual_report20.html

To facilitate your preparation of the CAFR assignments, you may want to print out the pdf of the Basic Financial Statements in the Financial Section of the CAFR (follow the link above to get to the CAFR).

The focus of the homework and exams is to work through questions in preparation for the CPA exam. The text provides excellent preparation for the CPA exam, addressing the governmental and not-for-profit area in the Financial portion of the CPA exam. You will not be turning in your homework with Connect, Connect is not required.

ASSIGNMENTS AND GRADING:

	<u>% Score</u>	X Points	= Points Earned
Midterm Exam		41 points	
Final Exam		41 points	
6 graded homework assignments (lowest scores dropped on 2 assignments) @ 1 point each			6 points
3 Analytical Examinations of the Comprehensive Annual Financial Report (CAFR) of San Diego County @ 4 points each			12 points

Total			100 points

I realize that there are days you may need to be late in submission for legitimate reasons. Although late submitted homeworks are not accepted for any reason, the lowest 2 scores of the 8 homeworks will be dropped, resulting in 6 points maximum.

There is no "extra credit" available, the final grade is based totally on the above assignments.

At anytime, you can compute how you are doing in the class by computing the points earned as indicated above, and dividing that by the total possible points to date (do not round in calculating the points earned). Anticipate no curve, with the final grades being assigned as follows (with no rounding):

A 94.0 - 100 points	C 74.0 – 76.99
A- 90.0 - 93.99	C- 70.0 – 73.99
B+ 87.0 - 89.99	D+ 67.0- 69.99
B 84.0 – 86.99	D 64.0 – 66.99
B- 80.0 – 83.99	D- 60.0 – 63.99
C+ 77.0 – 79.99	F 0 – 59.99

Homework:

The focus of the homework and exams is to work through questions in preparation for the CPA exam. The text provides excellent coverage of the governmental and not-for-profit area of the Financial portion of the CPA exam, as detailed by the learning outcomes listed below.

Type the multiple choice answers to your homework in a Word file, listing each question number and the appropriate answer A,B,C,D or E, include both your name and student identification number, and submit this in the assignment drop box in Canvas (no need to retype the question).

Likewise, submit a typed Word file of your CAFR Analysis with your name and student identification number to the assignment drop box in Canvas.

After the due date and time, each correct Homework Solution will be revealed in Canvas.

SYNCHRONOUS, INTERACTIVE CLASS LECTURES AND STRUCTURED LECTURE NOTES, ENCOURAGING YOU TO BE ENGAGED DURING THE ZOOM SESSIONS:

The structured lecture notes will be posted as a Word file in Canvas on the day prior to each lecture, so that you can **print them out and annotate them during and after the lecture**. Using the structured lecture notes in this way will result in you being **engaged during the class lecture**.

The structured lecture notes follow the same structure as the textbook. Being engaged with the lecture notes in this way will assist you in recalling the structure for the homework, for my exams, and for the CPA exam.

All lectures will be synchronous via Zoom during the scheduled class time, to encourage you to be **engaged during the class lecture**. I encourage you to ask me questions during the lecture, and periodically I will use anonymous polls to gauge the understanding of the class during the lecture. In this way, **class lectures will be interactive**. I welcome and encourage your participation.

The Zoom URL for the live lecture can be accessed in Canvas by clicking on the Zoom LTI PRO link on the left panel.

The Zoom URL for the recorded lecture can be accessed in Canvas by clicking on the Media Gallery link on the left panel, so that you can review the lectures at a later date.

STUDY STRATEGY TO PREPARE FOR THE EXAMS:

You should use the following study strategy in order to prepare for the exams. This is a strategy that has proven successful over a wide variety of academic coursework whenever you are learning introductory material, for a topical area that is new to you.

1. First, you must **be engaged with all lectures**, and use the structured lecture notes as I discussed above. This is new material for you, you are learning the structure for the first time. By **adding your annotations to the structured lecture notes** during and after the class lecture, **you will be more engaged**, resulting in a better understanding of the structure of the material.
2. You should then **read the text thoroughly**, using your annotated structured lecture notes as a guide. The structured lecture notes are following the same structure that is in the textbook, and you can also add to them as desired as you read the textbook. Unless I specifically tell you to omit particular pages in the text, you are responsible for all of the chapter, which will give you the full context of the essential material. In this way, the structured lecture notes will be a basis for mentally organizing the material for recall.
3. **After** completing steps one and two above, use the **assigned homework** as an opportunity to **practice your recall** of the material. This is very similar to the strategy you would be told to practice for the CPA exam. The questions on the homework and on the exam are adapted from the CPA exam. By using the homework as an opportunity to practice recalling the structure of the material, you are doing the same type of recall practice that you would need for my exam or the CPA exam.
4. Many students also find it helpful to practice recalling the structured material by writing down questions to test themselves over the structure, and then answering that list of questions later when they review for the exam.

5. **Optional Additional Practice Questions:** For an optional additional review of the material, you can answer the 10 questions at the end of each chapter. You will find these questions at the end of each chapter immediately after the list of Key Terms and Selected References. You will also find the solutions in Canvas already posted as “Solutions to Optional Additional Practice Questions” after each Chapter Homework Solution.

EXAMS:

Bring your picture I.D. to the exam; you will be required to show it. Exams will be online. Exam dates and coverage are indicated on the class schedule below. You should take the exam at the scheduled time (11:00 am U.S. Pacific Time for midterm and 11:30am U.S. Pacific Time for the final).

Generally, only a medical reason or other emergency (which you may be required to document) will allow you to take a make-up exam. You must notify me the day of the exam if there is a medical reason or other emergency, with an email message.

Other than a medical reason or other emergency, any other request for taking a make-up exam (instead of taking the exam at the scheduled time) must be submitted to me by the end of the second week of classes.

All online exams are to be completed individually, collaboration or consultation among students is not allowed. All online exams are closed book, no notes allowed, and no sources of outside information. You will be zoom in on the day of the exam and remain in front of the webcam while you take the online exam in Canvas. Bring your picture I.D. to the exam; you will be required to show it before you start the exam.

LEARNING OUTCOMES:

At the end of this course students should be able to:

1. Explain the different objectives, measurement focus, and basis of accounting of the government wide financial statements and fund financial statements of state and local governments.
2. Explain fund financial statements, types of funds in each fund category, and characteristics of each fund type.
3. Explain how budgetary accounting contributes to achieving budgetary control over revenues and expenditures.
4. Explain financial reporting and accounting for not-for-profit organizations.
5. Describe financial reporting and accounting for health care organizations.

SCHEDULE:

Note: Homework and CAFR assignments must be submitted in Canvas by 11:00am on the due date to receive credit (see grading policy above).

Type the multiple choice answers to your homework in a Word file, listing each question number and the appropriate answer A,B,C,D or E, include both your name and student identification number, and submit this in the assignment drop box in Canvas (no need to retype the question).

Likewise, submit a typed Word file of your CAFR Analysis with your name and student identification number to the assignment drop box in Canvas.

After the due date and time, each correct Homework Solution will be revealed in Canvas.

In addition to those problems assigned as homework, you will be responsible for any other problems which are demonstrated in class.

3/30 LECTURE: Overview of Course & Overview of Governmental Accounting: Funds Based Financial Statements and Government Wide Financial Statements

4/1 LECTURE : Ch 1 Introduction to Accounting and Financial Reporting for Governmental and Not-For-Profit Entities (Omit Financial Reporting of Federal Government, p. 11-12)

4/6 Ex 1-19, # 1-7,9-10 due, p. 17-18

LECTURE Ch 2 Principles of Accounting and Financial Reporting for State and Local Governments

4/8 LECTURE Ch 2 continued

4/13 Ex 2-16, # 1-9,13,15 due, p. 62-64

LECTURE Ch 3 Accounting for Governmental Operating Statement Accounts; Budgetary Accounting

4/15 CAFR Analysis 2-15 a-e due, p. 61-62, using San Diego County

LECTURE: Ch 3 continued

4/20 Ex 3-16, # 1-10, 12-15 due, p. 103-106

LECTURE: Ch 4 Accounting for Governmental Operating Activities- Illustrative Transactions and Financial Statements

4/22 CAFR Analysis 3-15 a–b due, p. 102-103, using San Diego County

LECTURE: Ch 4 lecture continued

4/27 Ex 4-17, # 1-6, 8-10 due, p. 159-161

LECTURE: Ch 5 Accounting for General Capital Assets and Capital Projects

Ch 5 For practice only (not graded): **Ex 5-17 # 1-6, 9-12,15 p. 202-205** assigned and solution posted

4/29 LECTURE: Ch 5 continued

5/4 Tuesday, May 4 (11:00am to 11:50am) ONLINE Midterm Exam: Ch 1,2,3,4,5

5/4 LECTURE (12:00pm to 12:20pm): Begin Ch 6 Accounting for General Long-term Liabilities and Debt Service (Ch 6 omit bottom p.235 – p.243)

5/6 LECTURE: Ch 6 continued

5/11 Ex 6-17 # 1-15 due, p. 250-252

LECTURE: Ch 7 Accounting for the Business-type Activities of State and Local Governments

5/13 LECTURE: Ch 7 continued

5/18 Ex 7-17 # 1-10 due, p. 300-302

LECTURE: Ch 8 Accounting for Fiduciary Activities- Custodial and Trust Funds

5/20 CAFR Analysis 4-16 a-c due, p. 159, using San Diego County

LECTURE: Ch 8 continued

5/25 **Ex 8-17 # 1-5, 7-10, 13-14 due, Ex 8-18 #1-5 due, p. 350-353**

LECTURE: Ch 14 Accounting for Not-for-Profit Organizations

5/27 **LECTURE:** Ch 14 continued

6/1 **Ex 14-14 #1-13 due, p. 599-602**

LECTURE: Ch 16 Accounting for Health Care Organizations

Ch 16 For practice only (not graded): **Ex 16-17 # 1-8 due, p. 683-685** assigned and solution posted

6/3 **LECTURE:** Ch 16 continued

Tuesday June 8 11:30am ONLINE Final Exam: Ch 6,7,8,14,16

Changes to the course schedule, if any, will be announced in class.

ACADEMIC INTEGRITY

Integrity of scholarship is essential for an academic community. As members of the Rady School, we pledge ourselves to uphold the highest ethical standards. The University expects that both faculty and students will honor this principle and in so doing protect the validity of University intellectual work. For students, this means that all academic work will be done by the individual to whom it is assigned, without unauthorized aid of any kind.

The complete UCSD Policy on Integrity of Scholarship can be viewed at: <http://www-senate.ucsd.edu/manual/appendices/app2.htm#AP14>

How the Honor Code applies to this course:

Students are expected to complete the course in compliance with the instructor's standards. No student shall engage in any activity that involves attempting to receive a grade by means other than honest effort; for example:

No student shall knowingly procure, provide, or accept any unauthorized material that contains questions or answers to any examination or assignment to be given at a subsequent time.

No student shall complete, in part or in total, any examination or assignment for another person.

No student shall knowingly allow any examination or assignment to be completed, in part or in total, for himself or herself by another person.

No student shall plagiarize or copy the work of another person and submit it as his or her own work.

No student shall employ aids excluded by the instructor in undertaking course work or in completing any exam or assignment.

No student shall alter graded class assignments or examinations and then resubmit them for re-grading.

STUDENTS WITH DISABILITIES

A student who has a disability or special need and requires an accommodation in order to have equal access to the classroom must register with the Office for Students with Disabilities (OSD). The OSD will determine what accommodations may be made and provide the necessary documentation to present to the faculty member.

The student must present the OSD letter of certification and OSD accommodation recommendation to the appropriate faculty member in order to initiate the request for accommodation in classes, examinations, or other academic program activities. No accommodations can be implemented retroactively.

Please visit the OSD website for further information or contact the Office for Students with Disabilities at (858) 534-4382 or osd@ucsd.edu.