

ACCOUNTING 4120/5240 (412/524)
GOVERNMENT AND NONPROFIT ACCOUNTING
Winter 2018

INSTRUCTOR

Sha Zhao, PhD

Office: 339 Elliott Hall

Office Hour: Thursday 5:00pm – 6:00pm or by appointment

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COURSE PREREQUISITE: ACC311.

COURSE OBJECTIVES

Government accounting has evolved over time without intervention of the AICPA because governmental entities had been viewed as non-business entities. For legal and practical purposes, these entities developed the principles of fund accounting, which we will discuss in detail. We will compare and contrast the way these entities record and report financial transactions, many of which are similar to those of for-profit entities. To understand the fundamentals of fund accounting as they pertain to the various entities, it will be necessary to review the financial entities from the viewpoint of the users. Throughout the semester, we will address the question “WHY” as well as “HOW”.

It is essential that you understand the accounting principles learned in the Intermediate Accounting courses before entering this course. Because government has a different measurement-focus, some transactions will be recorded and reported differently. You will be required to view business transactions from this different perspective, and report operations to different constituencies

Course Goals:

- (1) Student will demonstrate knowledge of full accrual and modified accrual accounting and discuss when each is appropriate.
- (2) Student will demonstrate an understanding of the specific funds used by governmental and not-for-profit entities. Student will be able to calculate the revenue to be recognized by the various governmental entities.
- (3) Student will demonstrate knowledge of the differences between expenses and expenditures, as well as when each term is appropriate.
- (4) Student will know the requisite financial statements used by each entity and be able to prepare each in good form.

REQUIRED MATERIALS

Text: Freeman, Shoulders, McSwain, and Scott, Governmental and Nonprofit Accounting (11th Edition), Pearson, ISBN-13: 978-0-13-379956-9

SCANTRON FORM 882-E is required for all in-class quizzes and exams.

MOODLE: *MOODLE* will be the primary method of communication outside the classroom and office hours. It is your responsibility to check the *MOODLE* site regularly.

You may find that a three-ring binder is a great way of keeping this course organized, as class notes for each chapter will be made available.

CLASS SESSION

Each student must officially enroll in the lecture. Lectures meet every week on Tuesdays and Thursdays at 1:00 pm - 2:15 pm. The lecture will be held in Room 212 at Elliott Hall.

When communicating with me through emails, you should adhere to the following guidelines.

- Any email you sent to me should include a short description of your question (e.g., ACC4120/5240 question) in the subject area.
- Please restrict your emails to issues that cannot be answered by reading the syllabus.
- If your question is detailed (e.g., how to solve a particular problem) or requires a long explanation, please see me in person instead of emailing your question.

HOW TO SUCCEED IN THIS COURSE

The subject matter of the course will be presented through a combination of lectures, discussions, and problem demonstrations. Questions from students are always encouraged.

Advance preparation

It is hard to discuss or present all the material relevant to governmental and nonprofit accounting in class. Consequently, the instructor's role is to guide and assist you in the learning process. The instructor's lectures are to **supplement the reading** and are not intended to be a substitute. In addition, assigned problems are intended to provide examples of practical accounting problems and solutions but cannot represent all of the situations one may encounter. Although as much assistance as possible will be provided to you, the burden of assimilating the subject matter involves extensive reading, studying, and assignment preparation. Keeping up with the work and being prepared for class is the key to success.

Read the chapters and lecture notes before each class. The lectures will be based on a set of lecture notes and practice problems that will be posted on MOODLE for each chapter. It is every student's responsibility to bring a hard copy of these materials to class. Without them, you will have difficulty in following the lectures. In addition, check your OU e-mail regularly as I often communicate to the class via e-mail.

Work through the assigned problems prior to each class marked as "In-class Practice Reading and Problems" in the attached course schedule. Rework problems that you had trouble with after they are discussed in class.

Professional Conduct

Professional conduct, important to success in both the college and workplace, includes consideration to colleagues and the considerate use of electronic devices.

- All cell phones must be turned off. Making / receiving calls, web surfing, e-mailing, texting, tweeting, listening to music, playing games, and otherwise acting in an unprofessional manner in classes will not be tolerated.
- Every student is expected to attend every class, to arrive on time, and to remain throughout the entire class session. Students who need to leave class early must make advance arrangements with the instructor and sit in seats close to the door, so their leaving class early is not disruptive to others.
- Please do not talk to others, eat, chew gum loudly, or engage in any other non-professional conduct.

Other

- Bring your text, pencil, paper, and a calculator to every class meeting. Only basic non-memory calculators or math calculators are allowed for quizzes and exams. Non-memory calculators are available at low cost in the bookstore, discount stores and at various pharmacies. Phones, including phones with calculators, are never permitted in class or during quizzes and exams.
- Never miss an exam.
- Get help as soon as you realize that you are having difficulty with the material.

COURSE GRADES

Course grade will be based solely on the following grading factors and weights:

Item	Weighting
Homework	7
Moodle Quizzes	3
Computer Projects	5
In-class Quiz 1 and Quiz 2	15
Midterm Exam 1	20
Midterm Exam 2	20
Final Exam	<u>30</u>
	100%

All individual weighted scores will be posted on MOODLE and you should contact the instructor immediately with discrepancies. **MOODLE may not always calculate the total grades during the term so you could calculate your own grade during the term.**

The relation between course grade and course average are based on the following grading factors:

<u>Course Average</u>	<u>Numeric Grade</u>	<u>Letter Equivalent</u>
100%-90%	4.0-3.6	A
89%-80%	3.5-3.0	B
79%-70%	2.9-2.0	C
69%-60%	1.9-1.0	D
59%-0%	0.0	

Within each range, numeric grades are proportionally allocated. For example, a 75% average will be graded as 2.5.

A word about INCOMPLETE grades: Per university policy, a grade of “I” (incomplete) may only be assigned if the student is unable to complete the course during the current semester, but will be able to complete it within eight weeks after the semester. All “I” grades convert to 0.0 after eight weeks, and cannot be modified. Accordingly, a grade of “I” will be assigned only if the student had a legitimate reason for not completing the course during the semester, and will be able to be complete it within **eight weeks** of the end of this semester. Before a grade of “I” will be submitted, you must consult with your instructor and complete an “I” grade petition form. Copies of the petition form are available at the SBA undergraduate advising office.

HOMEWORK and PARTICIPATION

Preparation in and outside of class on a timely basis is essential for a good understanding of the subject matter in this course.

Homework

Homework is intended to help you assess whether you understand the concepts you have studied and discussed in class. Assignments should be worked **after** you have studied and believe you understand the concepts. There will be an opportunity to address each assigned exercise and problem in class to some extent, but advance preparation will significantly enhance your success in the course. You are expected to make a serious attempt to prepare all assigned exercises and problems. It would also be helpful to do problems not assigned.

Homework assignments should be submitted and graded through the MOODLE system.

Due dates are posted in the attached course schedule and on MOODLE. For each homework assignment, you may either submit solutions in electronic format (e.g., Word, Excel, etc.) or submit a scanned copy of handwritten solutions. If you have multiple files to be submitted for one homework assignment, please save them in a zipped folder and upload the zipped folder on Moodle. **Late submissions will not be accepted.**

Two lowest homework assignment scores will be dropped at the end of the term for constructing the final grade. The overall grade for the homework section will be posted to MOODLE at the end of the term.

Homework will account for 7% of your final grade.

Moodle Quizzes

For almost all students, preparation outside of class on a timely basis is necessary for a good understanding of the subject matter in this course. In particular, it is important to review each chapter after that material is discussed in class. To encourage timely preparation, “Moodle Quizzes” will be given for most chapters as indicated in the attached course schedule and will be closed at 11:55pm on the scheduled due dates. You will be given 10 randomly selected multiple choice questions. All Moodle quizzes will be opened on 01/04/2018. Please schedule your time accordingly because the cut off times are defined. **Late submissions will not be accepted.** These quizzes are to be done independently. Feedback with answer keys for each quiz will be available Moodle after the due time.

You are given **one attempt** for each Moodle Quiz. **Two lowest Moodle Quiz scores will be dropped** at the end of the term for constructing the final grade. Moodle Quizzes will account for 3% of your final grade.

In-class Practice Reading and Problems

Exercises and problems listed in the “In-class Practice Reading and Problems” section in the attached course schedule will be discussed in class on the scheduled meeting date. **You are not required to submit solutions to these problems but are highly encouraged to work through them before the class meeting.**

COMPUTER PROJECTS

A group computer project (2% of final grade) and an individual computer project (3% of final grade) using electronic spreadsheets, utilizing Excel will be posted on MOODLE at a later date. Any evidence of copying will be submitted to the University Committee on Academic Conduct for investigation. Computer Project 1 (Group) is **due on 04/03/2018 at 11:55 P.M.** and is to be done by a group of 3 – 4 students. Computer Project 2 (Individual) is **due on 04/10/2018 at 11:55 P.M.** and is to be done independently. Instructions on computer project submission will be announced with the projects.

There is a 10% penalty for each 24-hour period that the project is late.

Computers and software are available for your use at several locations on campus, especially the SBA Computer Lab.

IN-CLASS QUIZZES

There will be **two in-class group quizzes**. The lower score of the two quizzes will be dropped at the end of the term. These quizzes represent 15% of the final grade (15% each).

There are no make-ups on quizzes. You must be in class at the proper time to take the quiz. This policy is strictly enforced to ensure that all students are treated fairly.

EXAMINATIONS

There are two midterm exams and one final exam scheduled during the semester. Examination questions and problems will NOT be “just like” the class assignments. They will test your ability to apply the skills and knowledge developed through class assignments. Be advised that the course will require considerable independent preparation. A few hours per week may not be sufficient. Each midterm exam is 20% of the final grade. The final exam is 30% of the final grade.

MAKE-UP EXAM POLICY

There are NO make-up exams. In the event of an unforeseeable medical/family emergency (with appropriate written documentation), I will do the following: (a) if you miss one of the two midterm exams, the weight from the exam will be put on the other midterm exam; or (b) if you miss the final, you will be able to make it up at a scheduled time. These exceptions will only be made if you provide written documentation showing that you missed the exam due to an emergency; otherwise, you will receive a zero for the missed exam. Similar policy applies to the quizzes.

**All the quiz and exam dates are well documented in the course schedule. Plan your time and avoid any conflicts at those dates. If you have a reasonable excuse that you have to be absent at that date, please let me know as early as possible.*

ETHICS AND INTEGRITY

Academic dishonesty is unacceptable and will not be tolerated. Cheating, forgery, plagiarism and collusion in dishonest acts undermine the university’s educational mission and the students’ personal and intellectual growth.

An accountant’s most important asset is his/her integrity. Clients, employers, and the public at large rely on assertions made by accountants. They expect those assertions to be truthful and accurate, and place great trust in those assertions. This translates into expectations of personal integrity and ethical behavior. The instructor holds such expectations for students enrolled in this course.

Ethics involve choices of conduct that balance peer reaction or extrinsic rewards with one’s own value system. Ethics include both choice and consequence of choice. In this class, unaided individual work is expected on examinations, quizzes, and the computer project. If you are not certain if joint work is acceptable, ask the instructor.

Please read and follow the university policy on academic conduct. Any apparent violations will be reported to the Committee on Academic Conduct. Any student found guilty by the Committee on Academic Conduct will be assigned a grade of 0.0 in this course.

EXTRA CREDIT OPPORTUNITY

There are additional important skills that are not necessarily directly addressed in the classroom. Personal professional development, including developing leadership abilities and networking, are also an important part of business education. These can often be developed through student

professional organizations. You may receive extra credit by attending professional meetings sponsored by OASIS, FMA, MIS Club, or other SBA student groups approved by the instructor.

One-third point “extra credit” will be assessed for each professional meeting attended. A maximum of 2% (six meetings) will be included in calculating extra credit. Attendance forms must be completed and submitted by **April 17th**. **Submit a stapled packet of ALL extra credit forms at one time.** Extra credit will be added to the MOODLE gradebook at the end of the semester.

Course Schedule (10364/11875)

Date	Chapter	Topic	In-class Practice Reading and Problems	Moodle Quizzes, Homework, and Computer Projects (Submit on Moodle, due at 11:55pm on the date indicated)	In-class Quizzes and Exams (scheduled on the date indicated)
1/4	1	Orientation and Governmental / Nonprofit Accounting Environment & Characteristics			
1/9	2	State and Local Government Accounting and Financial Reporting Model			
1/11	2	State and Local Government Accounting and Financial Reporting Model	E2-3, E2-4, E2-6, E2-8		
1/16	3	Budgeting, Budgetary Accounting, and Budgetary Reporting			
1/18	3	Budgeting, Budgetary Accounting, and Budgetary Reporting	E3-5, E3-6, P3-2		
1/23	4	General and Special Revenue Funds			
1/25	4	General and Special Revenue Funds	E4-5, E4-6, P4-1, P4-8	Moodle Quiz 1 – Ch. 2 HW1: E2-10	
1/30	5	Revenue Accounting – Governmental Funds			
2/1	5	Revenue Accounting – Governmental Funds	E5-3, P5-1	Moodle Quiz 2 – Ch. 3 and 4 Moodle Quiz 3 – Ch. 4 HW2: E3-8, P4-2, P4-6	
2/6	6	Expenditure Accounting – Governmental Funds			In-class Quiz 1 (Group) – Chapters 2 – 4
2/8	6	Expenditure Accounting – Governmental Funds	E6-3, E6-4, E6-6, P6-5, P6-7	HW3: P5-4	
2/13	7	Capital Projects Funds			
2/15	7	Capital Projects Funds	E7-3, E7-4, P7-2	Moodle Quiz 4 – Ch. 5; Moodle Quiz 5 – Ch. 6; HW4: P6-4	
2/27					Midterm Exam 1 (Chapters 2-6)
3/1	9	General Capital Assets	P9-1	Moodle Quiz 6 – Ch. 7; HW5: P7-3	
3/6	8	Debt Service	E8-3, E8-4, E8-5, E8-6, E8-7		
3/8	9	General Long-term Liabilities	E9-3, E9-4, E9-5, P9-2		

Course Schedule (Cont'd)

Date	Chapter	Topic	In-class Practice Reading and Problems	Moodle Quizzes, Homework, and Computer Projects (Submit on Moodle, due at 11:55pm on the date indicated)	In-class Quizzes and Exams (scheduled on the date indicated)
3/13	10	Enterprise funds (Omit restricted Assets section pp.413-419)		Moodle Quiz 7 – Ch. 8	
3/15	10	Enterprise funds (Omit restricted Assets section pp.413-419)	E10-2, E10-4, E10-5, E10-7, P10-3 (JE)	HW6: P8-3; P9-3	
3/20	11	Internal Service funds	E11-3		
3/22	13	Financial Reporting: Basic Financial Statements	E13-2	Moodle Quiz 8 – Ch. 9 Moodle Quiz 9 – Ch. 10 HW7: P10-4	
3/27	12	Fiduciary funds	E12-3, E12-4, E12-5	Moodle Quiz 10 – Ch. 11	
3/29					Midterm Exam 2 (Chapters 7 – 11)
4/3	14	Financial Reporting: Deriving Government-Wide Financial Statements and Required Reconciliation		Computer Project 1 (Group submission)	
4/5	14	Financial Reporting: Deriving Government-Wide Financial Statements and Required Reconciliation	P14-7, P14-8	Moodle Quiz 11 – Ch. 12 Moodle Quiz 12 – Ch. 13 HW8: P12-1	In-class Quiz 2 (Group) – Chapters 12 and 13
4/10	16	Not for Profit Organizations		Computer Project 2 (Individual submission)	
4/12	16	Not for Profit Organizations	E16-3, E16-4, E16-5, E16-6, P16-4		
4/17		Final Exam Review		HW9: P16-1, P16-2, P16-6	
4/24 Tuesday		Comprehensive FINAL EXAM (All chapters covered) 12:00 - 3:00 PM (at EH212)			