Seattle University
Albers School of Business and Economics
ACCT 5390
Government/Nonprofit Accounting

Instructor: Dennis B. Applegate, CPA, CMA, CIA, CFE, CFM
Office: Pigott 532
Office Hours: Wednesday 4:15 – 5:15 pm and by appointment
E-Mail: applegad@seattleu.edu

Class Session: Summer Quarter 2020
Class Time: Wednesday 5:30 – 9:00 pm
Class Room: ONLINE
Website: https://seattleu.instructure.com/

Course Description
Understand and apply the concepts, principles, and underlying accounting practices of government and not-for-profit (NFP) organizations, focusing in particular on the basic accounting model, preparation of required financial statements pursuant to GASB and FASB criteria, and selected accounting, financial reporting, and tax issues as appropriate. Emphasis will be given to accounting and reporting transactions for state/local government and for NFPs (voluntary health/welfare organizations, hospitals, and colleges and universities). A course in financial accounting is a required prerequisite. Knowledge of journal entries is integral to the course because they are a time-proven technique for learning, in part, the unique series of fund accounting applications related to the modified accrual basis of accounting used by state/local government.

Required Textbook and Material

My Business Course lectures/homework enrollment link: https://mybusinesscourse.com/?code=1016-9701-3051
- King County Government Comprehensive Annual Financial Report (CAFR) for 2018 (Posted on Canvas)
- Seattle University Financial Statements for FY 2018-19 (Posted on Canvas)

Basis of Grade

<table>
<thead>
<tr>
<th>Basis of Grade</th>
<th>Points</th>
<th>Grading Scale</th>
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<tbody>
<tr>
<td>Quizzes (5)</td>
<td>150 (30%)</td>
<td>A = 90% (90-92 = A-)</td>
</tr>
<tr>
<td>Homework (10)</td>
<td>100 (20%)</td>
<td>B = 80% (88-89 = B+; 80-82 = B-)</td>
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<tr>
<td>Final Exam</td>
<td>175 (35%)</td>
<td>C = 70% (78-79 = C+; 70-72 = C-)</td>
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<tr>
<td>Participation</td>
<td>75 (15%)</td>
<td>D = 60%</td>
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Exam
The final exam will be comprehensive, lasting three-hours, and contain a combination of objective-format questions, short exercises similar to those worked in class, and analytical problems similar to those assigned as homework, though much abbreviated. Both quantitative and conceptual knowledge will be tested, but all will have been covered in class. Calculators, nonprogrammable, are permissible and recommended. No points can be earned for a missed exam. You may review the results of your final exam in my office by appointment if you wish. No make-up exams can be granted.

King County’s CAFR and Seattle University’s Financial Statements have been integrated into the class to provide real-world examples of governmental and not-for-profit financial reporting and should be reviewed in conjunction with the textbook readings as indicated in the Class Schedule.
**Quizzes**
There will be five detailed quizzes during the quarter, covering chapter material from the prior class session. Quizzes will contain only multiple choice questions. You will be allowed about 45 minutes for each quiz administered. If you are late to class, it may reduce your available time for the assigned quiz. Prior to each quiz, it is recommended that you work as many end-of-chapter MC as possible, as well as the designated end-of-chapter exercises not fully completed in class. No make-up quizzes can be granted.

**Homework**
Course homework is intended to reinforce the concepts and techniques of the readings and lectures, and should be done on your own. See the Class Schedule, below, for a list of the assigned homework. The assignments are due weekly before the start of class (6:00pm PT) on the dates shown on the Class Schedule as well as on the My Business Course website. Once the due dates have lapsed, such that no additional points can be earned, solutions to the assigned homework will be posted on Canvas for your additional review if necessary. Note that each assigned homework problem is worth 10 points, and that three attempts are allowed to determine a correct answer. All homework assignments will be available on June 22, the start of the quarter.

**Extra Homework**
In addition, solutions to all end-of-chapter exercises will be posted for self-study, not just those exercises reviewed in class. Solutions also will be posted for a few additional end-of-chapter problems that reinforce key points. All additional problems and exercises are to be completed at your discretion. Depending on your background, as many as four-to-six hours a week of outside study may be required to complete the assigned homework, to review exercises and additional homework problems from prior chapters, and to read in detail the next assigned chapters.

**Participation**
Professional participation is an important success factor in your career and is included in the course grading criteria for that reason. For this class, it is expected that students will come to class adequately prepared, pay attention to class lectures and discussions, not be distracted by electronic devices, and actively work assigned class exercises in their teams (in breakout rooms on Zoom), presenting their analyses to other teams as required. Any variance from these criteria will be counted as negative participation. Although such criteria are subjective, similar to what you will encounter throughout your professional career, you are welcome to seek feedback from me at any time during the course. Negative participation notwithstanding, your participation grade will be based on the number of classes attended (“attendance”) and the number of classes in which you ask relevant course questions, respond appropriately to instructor questions, and work in teams in a helpful and productive manner, all reflecting class involvement. The table below correlates class involvement and attendance with the participation grade.

<table>
<thead>
<tr>
<th>Class Involvement</th>
<th>Attendance</th>
<th>Participation Grade*</th>
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<tbody>
<tr>
<td>≥ 5 classes</td>
<td>≥ 6 out of 7 classes</td>
<td>75 points</td>
</tr>
<tr>
<td>≥ 4 classes</td>
<td>≥ 5 out of 7 classes</td>
<td>65 points</td>
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<tr>
<td>≥ 3 classes</td>
<td>≥ 4 out of 7 classes</td>
<td>55 points</td>
</tr>
<tr>
<td>≥ 2 classes</td>
<td>≥ 3 out of 7 classes</td>
<td>45 points</td>
</tr>
<tr>
<td>≥ 0 classes</td>
<td>&lt; 3 out of 7 classes</td>
<td>0 points</td>
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*Based on the highest that simultaneously meets the conditions of attendance and class involvement.*
<table>
<thead>
<tr>
<th>Date</th>
<th>Tentative Sequence of Topics</th>
<th>Readings</th>
<th>Homework</th>
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<tbody>
<tr>
<td>June 24</td>
<td><strong>Introduction to Governmental/Nonprofit Acctg</strong>&lt;br&gt;Use of Funds in Government Accounting&lt;br&gt;- <em>King County CAFR</em> (pp. i.-xvi., 21-33)</td>
<td>Patton Ch. 1&lt;br&gt;Patton Ch. 2</td>
<td>NA&lt;br&gt;P2-47&lt;br&gt;(due July 8)</td>
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<tr>
<td>July 1</td>
<td><strong>Budgetary Considerations</strong></td>
<td>Patton Ch. 3</td>
<td>P3-36&lt;br&gt;(due July 8)</td>
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<td>July 8</td>
<td><strong>General and Special Revenue Funds</strong>&lt;br&gt;General and Special Revenue Funds (cont’d)&lt;br&gt;- <em>King County CAFR</em> (pp. 23-24, 142, 164)&lt;br&gt;Quiz 1 (Ch. 1-3)</td>
<td>Patton Ch. 4&lt;br&gt;Patton Ch. 5</td>
<td>P4-34&lt;br&gt;P5-39&lt;br&gt;(due July 15)</td>
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<td>July 15</td>
<td><strong>Capital Projects, Debt Service, and Permanent Funds</strong>&lt;br&gt;- <em>King County CAFR</em> (pp. 23-24, 157-158, 179-180)&lt;br&gt;Proprietary Funds&lt;br&gt;- <em>King County CAFR</em> (pp. 26-31, 191-208)&lt;br&gt;Quiz 2 (Ch. 4, 5)</td>
<td>Patton Ch. 6&lt;br&gt;Patton Ch. 7</td>
<td>P6-47&lt;br&gt;P7-38&lt;br&gt;(due July 22)</td>
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<td>July 22</td>
<td><strong>Fiduciary Funds</strong>&lt;br&gt;- <em>King County CAFR</em> (pp. 32-33, 213-219)&lt;br&gt;Fund Financial Statements&lt;br&gt;- <em>King County CAFR</em> (pp. 1-17, 34-35, 123-131, 135-186)&lt;br&gt;Government-wide Financial Statements&lt;br&gt;- <em>King County CAFR</em> (pp. 21-22, 25)&lt;br&gt;Quiz 3 (Ch. 6, 7)</td>
<td>Patton Ch. 8*&lt;br&gt;Patton Ch. 9&lt;br&gt;Patton Ch. 10</td>
<td>P8-44&lt;br&gt;P9-49&lt;br&gt;P10-42&lt;br&gt;(due July 29)</td>
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<td>July 29</td>
<td><strong>Accounting for Nonprofit Organizations</strong>&lt;br&gt;- Seattle University’s Financial Statements (pp. 3-6)&lt;br&gt;Quiz 4 (Ch. 8-10)</td>
<td>Patton Ch. 13**</td>
<td>P13-35&lt;br&gt;(due Aug. 5)</td>
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<td>August 5</td>
<td><strong>Accounting for Hospitals</strong>&lt;br&gt;Nonprofit Colleges and Universities&lt;br&gt;Quiz 5 (Ch. 13)&lt;br&gt;Final Exam Review (as time permits)</td>
<td>Patton Ch. 14***&lt;br&gt;Patton Ch. 13A</td>
<td>P14-34&lt;br&gt;NA&lt;br&gt;(not graded)</td>
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<td>August 12</td>
<td><strong>Final Exam</strong></td>
<td>Comprehensive</td>
<td>NA</td>
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**MODIFIED TEXTBOOK READINGS**

*Ch. 8: Exclude computation of pension plan expense and accrued pension liability (pp. 8-5 to 8-13)*

**Ch. 13: Exclude not-for-profit fund accounting (pp. 13-31 to 13-39)*

***Ch. 14: Include patient service revenue only (pp. 14-1 to 14-11)*
Learning Outcomes
To succeed in this course, you must satisfactorily demonstrate Learning Outcomes 2 and 4 in accordance with the MPAC accounting curriculum map:

1. Recommend a course of action to a prospective client by using a framework or model to analyze financial statements and other relevant data. *(Low impact)*
2. Evaluate the accounting implications of an economic event by applying the principles, standards, and practices of financial accounting. *(Medium impact)*
3. Advise stakeholders of how strategic business risks relate to internal controls, financial reporting, tax, and/or audit using authoritative literature, fieldwork, surveys, archival, or other research data. *(Low impact)*
4. Synthesize accounting information within the context of other business functions to inform the business decision-making process. *(Medium impact)*
5. Construct arguments for and against alternative accounting decisions by weighing the ethical, stakeholder, and stewardship implications of each. *(Low impact)*

Class Sessions
Each class will include a mix of teaching techniques designed to form a workshop environment; specifically, short, relevant lectures on the key topics from the assigned readings, review of assigned homework as appropriate, and in-class exercises and analytical problem-solving sessions performed in teams and intended to prepare students, in part, for the quizzes and exams to follow. Lecture notes will be furnished for each chapter covered by the course. They are intended to focus attention on key concepts and techniques and will form the basis for the quizzes and exams. The first .5 hour of each class will be set aside for class questions, so that all students may benefit from the answers provided. Questions are also expected and encouraged during the class workshops and during office hours.

Readings
Textbook chapters are to be read prior to each class as assigned (see Class Schedule above).

Supplemental Readings
None required. Topical articles on governmental and not-for-profit accounting from professional and technical journals will be distributed and discussed as appropriate. Periodic review of the Wall Street Journal, Fortune, Business Week, and [www.cfo.com](http://www.cfo.com) is suggested.

Attendance
The expectation is that you attend every class, arriving on time and well-prepared for each class session, having completed the assigned readings.

Extra Credit
To ensure fairness for all students, no extra credit will be available for any purpose or reason.

Technology
To minimize distractions and disruptions in class, please limit use of electronic devices to classroom-related activities. Only nonprogrammable calculators will be allowed for the quizzes and exams.

My Business Course
Each class assignment contains e-lectures, “guided examples,” and homework assignments. The e-lectures are to be reviewed prior to the related class (and the homework is to be completed following the class as stated above). Please use the guided examples at your discretion. In the interest of time, focus on those that relate to the course learning objectives. **Please contact: My Business Course Tech Support at 1-630-504-0505 or submit a ticket on the My Business Course website if you encounter problems with accessing or completing the assigned e-lectures and homework on-line.**
APPENDIX
UNIVERSITY RESOURCES AND POLICIES

**Academic Resources:**
- Library and Learning Commons (http://www.seattleu.edu/learningcommons/)
  (This includes: Learning Assistance Programs, Research [Library] Services, Writing Center, Math Lab)
- Academic Integrity Tutorial (found on Canvas and SU Online)

**Academic Policies on Registrar website**
(https://www.seattleu.edu/redhawk-axis/academic-policies/)
- Academic Integrity Policy
- Academic Grading Grievance Policy
- Professional Conduct Policy (only for those professional programs to which it applies)

**Notice for Students Concerning Disabilities**
If you have, or think you may have, a disability (including an 'invisible disability' such as a learning disability, a chronic health problem, or a mental health condition) that interferes with your performance as a student in this class, you are encouraged to arrange support services and/or accommodations through Disabilities Services staff located in Loyola 100, (206) 296-5740. Disability-based adjustments to course expectations can be arranged only through this process.

**Notice Regarding Religious Accommodations**
It is the policy of Seattle University to reasonably accommodate students who, due to the observance of religious holidays, expect to be absent or endure a significant hardship during certain days of their academic course or program. Please see, Policy on Religious Accommodations for Students (https://www.seattleu.edu/media/policies/Policy-on-Religious-Accommodations-for-Students---FINAL.PDF).

**Office of Institutional Equity**
Title IX of the Education Amendments of 1972 (Title IX) prohibits discrimination based on sex in educational programs or activities that receive Federal financial assistance. This prohibition includes sexual misconduct, which encompasses sexual harassment and sexual violence. Seattle U remains committed to providing a safe and equitable learning, living, and working environment. Seattle U offers emergency, medical, and other support resources, as well as assistance with safety and support measures, to community members who have experienced or been impacted by sexual misconduct.

Seattle U requires all faculty and staff to notify the University’s Title IX Coordinator if they become aware of any incident of sexual misconduct experienced by a student.

For more information, please visit https://www.seattleu.edu/equity/. If you have any questions or concerns, you may also directly contact the Title IX Coordinator in the Office of Institutional Equity (email: oie@seattleu.edu; phone: 206.296.2824) University Resources and Policies