



PUBAFRS 6505 – Governmental and Not-for-Profit Financial Statement Analysis
Autumn 2014 (1 credit hour)

General Meeting Information

Tuesdays, 9/2/14 through 12/9/14
12:45 p.m. – 1:35 p.m.
Schoenbaum Hall 0310

Final Exam

Tuesday, 12/16/14
2:00 p.m. – 3:45 p.m.
Schoenbaum Hall 0310

Instructor

Megan Kilgore
Email: Kilgore.41@osu.edu
Cell: 740-645-3645
Work: 614-645-8249
Office hours by appointment

Course Overview and Objectives

In this course, students will learn the basics of financial statement analysis for governmental and not-for-profit entities to prepare them for leadership roles within such organizations. Specifically, upon completion of the course, students will be able to:

1. Explain the unique accounting principles for governmental and not-for-profit entities.
2. Describe the basic financial statements issued by governmental and not-for-profit entities and the information communicated by each.
3. Perform basic analysis of financial information provided by governmental and not-for-profit entities, including budgetary calculations, benchmarking, rate-setting, economic development analysis, and nonfinancial analysis.
4. Communicate basic analysis of financial information to stakeholders.

Prerequisites & Experience

No accounting experience or prior knowledge is required to enroll in this course. The course is designed for students who will engage with financial information from a policy perspective and benefit from a high-level understanding of governmental accounting reports, statements, and accounting records.

Required Materials

Michael H. Granof, *Government and Not for Profit Accounting: Concepts and Practices* (6th Edition)
(ISBN 978-1-118-15597-4)

Please consider purchasing the e-textbook version of this text or renting the text from a reputable company online. Both are more cost-effective options (CourseSmart, Amazon, and Barnes & Noble offerings ranged from \$40-\$70).

Students can access textbook information via the Barnes & Noble Bookstore website as well as from their Buckeye Link Student Center. This information is disseminated by B&N to all area bookstores. You may purchase the text from a store of your choice and/or shop for books online. (Make sure you use the ISBN for online searches!)

Other Readings

Other readings will be required as assigned. These readings will be relevant to weekly topics and will enhance classroom discussion. I will assign readings from a variety of sources such as public administration journals, *The Bond Buyer*, the *Government Finance Officers Association*, and public entities' financial statements.

Any assigned reading will be posted a week or more ahead of the class in which it will be discussed.

Class Format

Generally, we will begin each class with a discussion of relevant current public finance events, followed by a lecture on the topic for the week (as identified in the course syllabus). When possible, copies of the lecture will be posted on Carmen.

We will then discuss any supplemental readings and engage in an in-class exercise (group financial statement analyses, presentations, whole-class discussions). Participation in the class discussion is required and encouraged.

Guest speakers will be asked to join the class when determined to be appropriate.

Grading Information

Assignments must be submitted to the correct Carmen Dropbox by 11:59 p.m. on the due date. Full credit will be awarded to assignments that are correctly and thoughtfully completed and submitted on time. Late work will not be accepted.

Class Participation	10%
Problem Sets (4 @ 5% each)	20%
Financial Statement Analysis and Presentation	40%
Final Exam	30%

Class Participation: Class participation is essential for this course. Grading for class participation will be based on factors such as quality of participation, interest, attendance, and level of participation with the group project.

Problem Sets: Four individual problem sets will be given. Each assignment will be a combination of multiple-choice, fill-in, or short-answer questions. Students will be tested on their understanding of key terms and concepts from the text and from class lectures. All problem sets are open book.

Financial Statement Analysis and Presentation: A group project (no more than three to a group) will be assigned. Using a set of governmental or not-for-profit financial statements, groups will analyze the financial statements with traditional financial analysis tools as described in the text. Instructions will be given in a handout in class.

To encourage full participation by all team members, you will be asked to submit an evaluation of the performance and contribution of each member of your team. Evaluations will be incorporated in the class participation component of your grade.

Final Exam: The final exam will cover selected material from the class. More details will be provided prior to the exam.

Grading Scale

The following grading scale will be used in this course.

A	93-100	B-	80-82	D+	68-69
A-	90-92	C+	78-79	D	64-67
B+	88-89	C	73-77	E	63 and below
B	83-87	C-	70-72		

Course Outline and Schedule of Topics

Note that this outline is subject to change as the course unfolds.

Week	Date	Topics, Readings, and Assignments
1	9/2/14	<p>Topic: Course Introduction; An Overview of the Governmental and Non-for-Profit Financial Environment; Principles of Governmental Accounting</p> <p>Readings:</p> <ul style="list-style-type: none"> • Course Syllabus • Chapter 1, pp. 1-17; pp. 23-26
2	9/9/14	<p>Topic: What are the Key Elements of Government Financial Statements and the Bases of Accounting?</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 2, pp. 37-44; pp. 47-67
3	9/16/14	<p>Topic: Budgeting – Purposes, Types of Control, Classifications, and Phases of the Budget Cycle</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 3, pp. 90-111 <p>Assignment: Problem Set #1 Due</p>
4	9/23/14	<p>Topic: Recognizing Revenues in Financial Statements; Types of Revenue Forecasting</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 4, pp. 134-140; pp. 164-165

5	9/30/14	<p>Topic: Recognizing Expenditures in Financial Statements; Types of Expenditure Forecasting</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 5, pp. 180-182; pp. 189-2011
6	10/7/14	<p>Topic: Capital Projects and Debt Statement Analysis</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 6, pp. 228-249 <p>Assignment: Problem Set #2 Due</p>
7	10/14/14	<p>Topic: Capital Assets – Reporting Practices; How and Why Governments and Not-for-Profits Report Infrastructure</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 7, pp. 273-296
8	10/21/14	<p>Topic: Understanding Debt-Related Financial Statements; Performing Economic Development Analyses</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 8, pp. 310-334 <p>Assignment: Select groups for financial analysis project and identify government/not-for-profit to study.</p>
9	10/28/14	<p>Topic: Business-Type Activities</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 9, pp. 348-373; pp. 379-386 <p>Assignment: Problem Set #3 Due</p>
10	11/4/14	<p>Topic: Fiduciary Funds, Permanent Funds, Endowments</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 10, pp. 403-424; pp. 432-439
11	11/11/14	<p>Veteran’s Day observed – no class</p> <p>Readings: See reading due for Week 12</p>
12	11/18/14	<p>Topic: Disclosure and Reporting Requirements</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 11, pp. 465-502 <p>Assignment: Problem Set #4 Due</p>

13	11/25/14	<p>Topic: Not-for-Profit Organizations</p> <p>Readings:</p> <ul style="list-style-type: none"> Chapter 12, pp. 516-522; 532-534; 545-546; 558-562
14	12/2/14	<p>Topic: The Role of Financial Statements in the Management Cycle of Governments and Not-for-Profits; Communicating Financial Information to Stakeholders</p> <p>Readings:</p> <ul style="list-style-type: none"> Chapter 15, pp. 642-672
15	12/9/14	<p>Topic: Auditing the Financial Statements of Governments and Not-for-Profit Organizations</p> <p>Readings:</p> <ul style="list-style-type: none"> Chapter 16, pp. 682-711 <p>Assignment: Financial Analysis Project is Due</p>
16	12/16/14	<p>FINAL EXAM 2:00 p.m. – 3:45 p.m. Schoenbaum Hall 0310</p>

Academic Integrity

The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's *Code of Student Conduct*, and that all students will complete all academic and scholarly assignments with fairness and honesty. Failure to follow the rules and guidelines established in the University's Code of Student Conduct may constitute "Academic Misconduct." Sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

In the Ohio State University's *Code of Student Conduct*, Section 3335-23-04 defines academic misconduct as "any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's *Code of Student Conduct* is never considered an excuse for academic misconduct.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me.

Disability Statement

Students with disabilities that have been certified by the Office for Disability Services will be appropriately accommodated and should inform the instructor as soon as possible of their needs. The Office for Disability Services is located in 150 Pomerene Hall, 1760 Neil Avenue; telephone 292-3307; TDD 292-0901; <http://www.ods.ohio-state.edu/>