



THE OHIO STATE UNIVERSITY

JOHN GLENN COLLEGE OF PUBLIC AFFAIRS

PUBAFRS 6505 – Public Affairs Skills: Governmental Accounting

Autumn 2016 (1 credit hour Skills Course)

General Meeting Information

Tuesdays, 8/23/16 through 10/4/16
12:30 p.m. – 2:20 p.m.
Page Hall 060

Final Project Due

Tuesday, 10/11/16

Instructor

Megan Kilgore

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Office hours by appointment

Course Overview and Student Learning Objectives

In this course, students will learn the basics of financial statement analysis for governmental 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 entities.
2. Describe the basic financial statements issued by governmental entities and the information communicated by each.
3. Perform basic analysis of financial information provided by governmental entities, including budgetary calculations, benchmarking, rate-setting, economic development analysis, and tax 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 cost-effective options!

Students can access textbook information via the Barnes & Noble bookstore website: www.shopOhioState.com as well as from their BuckeyeLink Student Center. This information is disseminated by B&N to all area bookstores. You may buy from a store of your choice and/or shop for books (always use ISBN# for searches) online.

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 on Carmen 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). 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 expected.

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	25%
Group Project and Presentation	35%
Financial Statement Analysis	40%

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 in-class projects. Multiple absences will negatively impact students' ability to participate in the class, which will result in a lower grade.

Economic Development Project Analysis and Presentation: Small groups will be assigned in class. Students will be asked to take on the role of Buckeye City's CFO. Buckeye City is approached by a craft brewery from the west coast seeking to expand in the Midwest. The proposal will include requests including tax-exempt bond financing, a facility lease agreement, an income tax incentive, and certain other funding requests.

Using a detailed case study, groups will analyze the benefits and costs of the proposal and produce a recommendation to Buckeye City’s leadership.

Full instructions will be given in a handout in class. Each individual student will be responsible for approximately five (5) double-spaced pages. As a group, students will prepare a brief in-class presentation summarizing their analysis and recommendation (approximately five minutes). To encourage full participation by all team members, students will be asked to submit an evaluation of the performance and contribution of each member of the team.

Financial Statement Analysis: Using a government’s comprehensive annual financial report, budget document, and other relevant reports, students will analyze the financial statements with traditional financial analysis tools as described throughout the course.

Students will be asked to write a professional report, in the style of a rating agency report, to answer a set of prompts. The prompts will guide the student through a series of questions assessing the fiscal condition of the government, including demographic and economic indicators, revenues, expenditures, the debt portfolio, a risk assessment, and other components of a comprehensive fiscal analysis. Yes/no answers will not be sufficient; students will need to provide analysis, evidence of interpretation, and citations. Total pages should not exceed fifteen (15) double-spaced pages. Further instructions will be given in a handout in class.

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. Advance notice will be provided via Carmen of any changes.

Week	Date	Topics, Readings, and Assignments
1	8/23/16	<p>Topics: Course Introduction; An Overview of the Governmental and Non-for-Profit Financial Environment; Principles of Governmental Accounting; Key Elements of Government Financial Statements and the Bases of Accounting</p> <p>Readings:</p> <ul style="list-style-type: none"> • Course Syllabus • Chapter 1, pp. 1-17; pp. 23-26 • Chapter 2, pp. 37-44; pp. 47-67

2	8/30/16	<p>Topic: Budgeting – Purposes, Types of Control, Classifications, and Phases of the Budget Cycle; Recognizing Revenues in Financial Statements; Types of Revenue Forecasting</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 3, pp. 90-111 • Chapter 4, pp. 134-140; pp. 164-165 <p>Assignment: Select groups for the Economic Development Project.</p> <p>Instructions for the Economic Development Project will be distributed in class.</p>
3	9/6/16	<p>Topic: Recognizing Expenditures in Financial Statements; Types of Expenditure Forecasting; Capital Projects and Debt Statement Analysis</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 5, pp. 180-182; pp. 189-201 • Chapter 6, pp. 228-249
	9/13/16	<p>Topic: Capital Assets – Reporting Practices; How and Why Governments and Not-for-Profits Report Infrastructure; Understanding Debt-Related Financial Statements; Performing Economic Development Analyses</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 7, pp. 273-296 • Chapter 8, pp. 310-334 <p>Instructions for Financial Statement Analysis (Final Project) will be distributed in class.</p>
5	9/20/16	<p>Topic: Business-Type Activities; Fiduciary Funds, Permanent Funds, Endowments</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 9, pp. 348-373; pp. 379-386 • Chapter 10, pp. 403-424; pp. 432-439

6	9/27/16	<p>Topic: Disclosure and Reporting Requirements; Not-for-Profit Organizations</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 11, pp. 465-502 • Chapter 12, pp. 516-522; 532-534; 545-546; 558-562 <p>In-Class Economic Development Project Group Presentations</p> <p>Assignment: Economic Development Project is Due</p>
7	10/4/16	<p>Topic: The Role of Financial Statements in the Management Cycle of Governments and Not-for-Profits; Communicating Financial Information to Stakeholders; Auditing the Financial Statements of Governments and Not-for-Profit Organizations</p> <p>Readings:</p> <ul style="list-style-type: none"> • Chapter 15, pp. 642-672 • Chapter 16, pp. 682-711
Final Project Due	10/11/16	<p>Assignment: Financial Analysis Project is Due</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.

University Resources

Writing Consulting: Students wishing to have additional help with the writing of their papers can meet with a consultant at the Writing Center (<https://cstw.osu.edu/writing-center>).

Library Assistance: The Glenn College has a dedicated librarian at OSU Libraries, David Lincove (lincove.1@osu.edu), who can help provide research assistance.

The Glenn College is committed to nurturing a diverse and inclusive environment for our students, faculty, staff, and guests that celebrates the fundamental value and dignity of everyone by recognizing differences and supporting individuality. We are dedicated to creating a safe space and promoting civil discourse that acknowledges and embraces diverse perspectives on issues and challenges that affect our community.

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/>

As a student you may experience a range of issues that can cause barriers to learning, such as strained relationships, increased anxiety, alcohol/drug problems, feeling down, difficulty concentrating and/or lack of motivation. These mental health concerns or stressful events may lead to diminished academic performance or reduce a student's ability to participate in daily activities. The Ohio State University offers services to assist you with addressing these and other concerns you may be experiencing. If you or someone you know is suffering from any of the aforementioned conditions, you can learn more about the broad range of confidential mental health services available on campus via the **Office of Student Life Counseling and Consultation Services (CCS)** by visiting ccs.osu.edu or calling 614-292- 5766. CCS is located on the 4th Floor of the Younkin Success Center and 4th Floor of the PAES Building. 24 hour emergency help is also available through the National 24/7 Prevention Hotline at 1-800-273-TALK or at suicidepreventionlifeline.org