



## ACC310: Accounting for Governmental & Nonprofit Entities

**Credit Hours:** 3

**Contact Hours:** This is a 3-credit course, offered in accelerated format. This means that 16 weeks of material is covered in 8 weeks. The exact number of hours per week that you can expect to spend on each course will vary based upon the weekly coursework, as well as your study style and preferences. You should plan to spend 10-25 hours per week in each course reading material, interacting on the discussion boards, writing papers, completing projects, and doing research.

### Faculty Information



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Office Hours/Time: Wednesdays & Fridays – 10:30am – 1:30pm EDT

### Course Description and Outcomes



This course introduces the study of fund accounting as used by Governmental & Nonprofit Entities, to give students an understanding of the theory and logic that underlie basic accounting procedures, reporting, and practices. Major topics include financial reporting requirements for Governmental and Not-for-Profit Entities, principles and financial reporting requirements for State and Local Governments, Operating Statement and Budgetary Accounting, Business-type Activities of State and Local Governments, Fiduciary Activities – Agency & Trust Funds, Accounting for Not-for-Profit Organizations, and Accounting & Reporting for the Federal Government, and Auditing of Governmental & Not-for-Profit Organizations.

## Course Learning Outcomes

1. Identify and describe the financial reporting requirements for Governmental and Not-for-Profit Entities.
2. Interpret and analyze the principles and financial reporting requirements for State and Local Governments.
3. Evaluate Governmental Operating Statement and Budgetary Accounting.
4. Illustrate Business-type Activities of State and Local Governments.
5. Describe Fiduciary Activities – Agency & Trust Funds.
6. Describe and interpret Accounting for Not-for-Profit Organizations.
7. Describe the Accounting & Reporting for the Federal Government.
8. Evaluate the Auditing of Governmental & Not-for-Profit Organizations.

## Participation & Attendance



Prompt and consistent attendance in your online courses is essential for your success at **Gunu-Institute**. Failure to verify your attendance within the first 7 days of this course may result in your withdrawal. If for some reason you would like to drop a course, please contact your advisor.

Online classes have deadlines, assignments, and participation requirements just like on-campus classes. Budget your time carefully and keep an open line of communication with your instructor. If you are having technical problems, problems with your assignments, or other problems that are impeding your progress, let your instructor know as soon as possible.

## Course Materials



### Required:

Reck, J.L., & Lowensohn, S.L. (2015). Accounting for Governmental & Nonprofit Entities (17th ed.). McGraw Hill. ISBN-13: 9780078025822.

## Course Schedule



### Due Dates

The Academic Week at **Gunu-Institute** begins on Monday and ends the following Sunday.

- Discussion Boards: The original post must be completed by **Thursday at 12 midnight EST** and Peer Responses posted by **Sunday 12 midnight EST**. Late posts may not be awarded points.
- Mastery Exercises: Students may access and retake mastery exercises through the last day of class until they achieve the scores they desire.

- Critical Thinking Activities: Assignments are due **Sunday at 12 midnight EST.**

Week #	Readings	Assignments
1	<ul style="list-style-type: none"> <li>• Chapter 1 in Accounting for Governmental &amp; Nonprofit Entities (17th ed.).</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion Board (25)</li> <li>• Mastery Exercises (10)</li> </ul>
2	<ul style="list-style-type: none"> <li>• Chapter 2 in Accounting for Governmental &amp; Nonprofit Entities (17th ed.).</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion Board (25)</li> <li>• Mastery Exercises (10)</li> <li>• Critical Thinking (60)</li> </ul>
3	<ul style="list-style-type: none"> <li>• Chapter 3 in Accounting for Governmental &amp; Nonprofit Entities (17th ed.).</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion Board (25)</li> <li>• Mastery Exercises (10)</li> <li>• Critical Thinking (60)</li> </ul>
4	<ul style="list-style-type: none"> <li>• Chapter 7 in Accounting for Governmental &amp; Nonprofit Entities (17th ed.).</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion Board (25)</li> <li>• Mastery Exercises (20)</li> <li>• Critical Thinking (60)</li> </ul>
5	<ul style="list-style-type: none"> <li>• Chapter 8 in Accounting for Governmental &amp; Nonprofit Entities (17th ed.).</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion Board (25)</li> <li>• Mastery Exercises (10)</li> <li>• Critical Thinking (60)</li> </ul>
6	<ul style="list-style-type: none"> <li>• Chapter 13 in Accounting for Governmental &amp; Nonprofit Entities (17th ed.).</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion Board #1 (15)</li> <li>• Discussion Board #2 (10)</li> <li>• Critical Thinking (110)</li> </ul>
7	<ul style="list-style-type: none"> <li>• Chapter 17 in Accounting for Governmental &amp; Nonprofit Entities (17th ed.).</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion Board (25)</li> <li>• Mastery Exercises (20)</li> </ul>
8	<ul style="list-style-type: none"> <li>• Chapter 11 in Accounting for Governmental &amp; Nonprofit Entities (17th ed.).</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion Board - #1 (15)</li> <li>• Discussion Board - #2 (10)</li> <li>• Mastery Exercises (20)</li> <li>• Portfolio Assignment (350)</li> </ul>

### Assignment Details



This course includes the following assignments/projects:

## Week 2: Critical Thinking Assignment (60 points)

### Matching Funds with Transactions

**Matching Funds with Transactions.** Choose the letter of the sample transaction in the right-hand column that would most likely be reported in the fund listed in the left-hand column: For example: Agency – a, Capital projects – c. and so forth.

Fund	Sample transaction
1. Agency	a. Construction of public building.
2. Capital	b. Costs of a central purchasing and warehouse function.
3. Debt service	c. Gifts in which the principal must be invested and preserved but the investment earnings must be used to provide scholarships to children of police officers who died in the line of duty.
4. Enterprise	d. Administrative expenses of the city manager's office
5. General	e. Assets held for external government participants in the government's investment pool for the purpose of earning investment income.
6. Internal service	f. Gifts in which the principal must be invested and pre-served but the investment earnings can be used for public purposes.
7. Investment trust	g. Cost of operating a municipal swimming pool.
8. Pension (and other employee benefit) trust	h. Taxes collected on behalf of another governmental unit.
9. Permanent	i. Assets held in trust to provide retirement benefits for municipal workers.
10. Private-purpose trust	j. Principal and interest payments on general long-term debt.
11. Special revenue	k. Grant revenues restricted for particular operating purposes.

Refer to the rubric to ensure meeting all assignment criteria.

Due Saturday by 11:59 PM EST

## Week 3: Critical Thinking Assignment (60 points)

### Recording Adopted Budget

The Town of Willingdon adopted the following General Fund budget for fiscal year 2024: You are required to prepare the general journal entries to record the adopted budget at the beginning of fiscal year 2024. Show entries in the subsidiary ledger accounts as well as the general ledger accounts.

#### Estimated revenues:

Taxes	\$15,000,000
Intergovernmental revenues	1,000,000
Licenses and permits	400,000
Fines and forfeits	150,000
Miscellaneous revenues	<u>100,000</u>
Total estimated revenues	<u>\$16,650,000</u>

#### Appropriations:

General government	8,000,000
Public safety	6,000,000
Public works	1,550,000
Health and welfare	950,000
Miscellaneous	<u>100,000</u>
Total appropriations	<u>\$16,600,000</u>

Refer to the rubric to ensure meeting all assignment criteria.

Due Saturday by 11:59 PM EST

## **Week 4: Critical Thinking Assignment (60 points)**

### **Net Position Classifications Town of Hernon**

During 2024, the Town of Herndon had a number of transactions that affected net position of its town skating rink, which is operated as an enterprise fund. You are provided with the following information for 2024:

1. The beginning net position balances are: net investment in capital assets, \$679,800; restricted \$0; and unrestricted, \$1,354,692.
2. Net income for the year was \$162,759
3. Depreciation expense totaled \$54,000
4. A piece of equipment with a carrying value of \$26,100 was sold for \$25,000.
5. Bonds for \$500,000 were issued to construct a concession stand at the rink. At the end of the year, the concession stand was 50 percent complete, and construction work in progress totaled \$248,000.
6. A \$15,000 principal payment was made on a capital lease.
7. A new Zamboni ice resurface machine was purchased for \$250,000. At the end of the year, a \$30,000 note associated with the machine remains outstanding.

You are required to prepare the **net position section** of Town of Herndon's 2024 statement of net position.

**Refer to the rubric to ensure meeting all assignment criteria.**

**Due Saturday by 11:59 PM EST**

## Week 5: Critical Thinking Assignment (60 points)

### Identification of Fiduciary Funds

In this assignment, you are required to indicate or identify which of the scenarios or activities below are fiduciary funds. If not a fiduciary fund, identify which type of fund should be used to account for the activities and explain why that fund is most appropriate.

#### Scenario/Activity:

1. **Tri-Centennial Fund:** Accounts for money raised or contributed by several local area governments and other organizations. The purpose is to ensure availability of resources to celebrate the United States Tri-Centennial in 2076.
2. **Perpetual Care Fund:** Accounts for endowed gifts and investments earnings dedicated to perpetual care of the city's cemeteries.
3. **Poudre River Public Library District Fund:** Accounts for cash and investments held by the city on behalf of Poudre River Public Library District.
4. **School Impact Fee Fund:** The city collects school impact fees as part of the cost of building permits issued. Money must be remitted periodically to the local school district, a legally separate government that is not a component unit of the city.
5. **Cultural Services and Facilities Fund:** Accounts for revenues received from the Lincoln Center performing arts facility, the city museum, and General Fund subsidies used to promote cultural activities for city residents.
6. **Payroll Fund:** The city has established a fund in which all payroll deductions are reported.
7. **Telephone Commissions Fund:** The city collects commissions on pay telephones used by jail inmates. The funds are used to provide inmates such benefits as library resources and fitness equipment.
8. **Block Grant Fund:** The state receives federal funds for the homeless which it passes through to local not-for-profit organizations. The only responsibility the state has is to contribute an additional amount of funds (matching) to the federal grant.
9. **Health Benefits Fund:** The county has agreed to pay a portion of the health insurance premiums for employees when they retire. Contributions for the benefit are paid into this fund.
10. **Unclaimed Property Fund:** The state has established a fund to account for abandoned and unclaimed property. The property is held in the fund for ten years. If a legal claimant to the property is not found within the ten-year time period, the property reverts to the state.

Refer to the rubric to ensure meeting all assignment criteria.

Due Saturday by 11:59 PM EST

## Week 6: Critical Thinking Assignment (110 points)

### Identify Statement of Financial Position Departures from GAAP

After reviewing the following Statement of Financial Position of Gunu-Institute as of December 31, 2024, you realized that it was not presented in compliance with the FASB standards. To help the Institute advance student learning, you are required to correct the Statement and make a list of the corrections or modifications to the statement so that it can be presented in the proper format.

#### Gunu-Institute Learning Center Statement of Financial Position As of December 31, 2024

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#### Assets

Cash and cash equivalents	\$ 286,802
Short and long-term investments	1,371,143
Contributions receivable	286,372
Supplies and other prepaid expenses	43,258
Land	210,000
Buildings (net of accumulated depreciation of \$63,420)	561,627
Equipment (net of accumulated depreciation of \$92,642)	<u>144,230</u>
<b>Total assets</b>	<b><u>2,903,432</u></b>

#### Liabilities and Net Assets

Accounts payable	\$ 45,722
Mortgage payable	495,000
Accrued liabilities	24,963
Unrestricted	503,980
Temporarily restricted	
Donor restricted for operations	196,892
Debt-covenant restricted	61,875
Permanently restricted	
Donor restricted	1,225,000
Board-designated	<u>350,000</u>
<b>Total Liabilities and Net Assets</b>	<b><u>2,903,432</u></b>

Refer to the rubric to ensure meeting all assignment criteria.

Due Saturday by 11:59 PM EST



## **Week 8: FINAL PORTOFOLIO PROJECT**

### **Review and Analysis of Audited Financial Statements of a Federal Agency/Department (350 Points)**

Retrieve the most recent audited financial statements of any federal department/agency of your choice. Remember only 24 CFO Act Agencies/Departments report Annual Performance and Accountability Reports (use the link here to identify and research your chosen agency/department:

<https://www.cio.gov/handbook/it-laws/cfo-act/>). **Note: You may just Google the most recent audited financial statements of your chosen federal agency/department.**

Perform the following review and analysis once the audited financial statements of your chosen federal agency/department have been retrieved:

1. Go to the Independent Auditor's Report section of the financial statements and briefly discuss the nature of opinion expressed. Why was that opinion expressed?
2. Identify and briefly discuss who was responsible for the preparation of the financial statements?
3. What was the auditor's responsibility?
4. Under "report on internal control over financial reporting" identify and discuss three (3) material weaknesses or three significant deficiencies mentioned in the report. Why were they considered weaknesses or significant deficiencies?
5. Under the "Anti-deficiency Act (ADA)" section, briefly discuss whether there were any violations of the ADA provisions.
  - a) How many violations or potential violations did the agency report?
  - b) What was the cause of the violation if any violation was reported?
  - c) Which division or section of the agency caused the violation?
  - d) What management response to the potential violation?
  - e) What was the significance of the violation?
6. Briefly discuss the primary mission of your chosen agency
7. What core financial accounting system does the agency use to record proprietary and budgeting accounting? Discuss the challenges that the agency face in using the accounting system
8. Briefly discuss at least, two accounting standard setting bodies mentioned in the report.

Ensure your written project is 10-15 pages in length; APA-formatted according to **Gunu Institute's** APA policy; include a title page, and a reference page. Use Times New Romans 12-point font and double-spaced throughout.

**Refer to the rubric to ensure meeting all project criteria.**

**Project Due Saturday by 11:59 PM EST.**

## Course Policies



### Late Work

Students are permitted a 7-day grace period during which they may submit a Critical Thinking assignment after the original due date without penalty. Papers submitted between 8 and 14 days after the original due date will be accepted with a potential 10 percent reduction in grade for late submission. Papers submitted 15 or more days beyond the original due date may not be accepted unless prior arrangements have been made with the instructor. **No Portfolios will be accepted late** and no assignments will be accepted after the last day of class unless a student has requested an incomplete grade in accordance with the Incomplete Policy.

### Course Grading

20% Discussion Participation  
10% Mastery Exercises  
35% Critical Thinking  
Activities  
35% Final Portfolio Paper

### Grading Scale and Policies

A	95.0 – 100
A-	90.0 – 94.9
B+	86.7 – 89.9
B	83.3 – 86.6
B-	80.0 – 83.2
C+	75.0 – 79.9
C	70.0 – 74.9
D	60.0 – 69.9
F	59.9 or below
FN*	Failure for Nonparticipation
I**	Incomplete

### Artificial Intelligence (AI) Policy:

Students must consult with their instructors before using an AI tool such as GPTZero, ChatGPT, QuillBot etc... in their academic papers.

\* Students who stop attending class and fail the course for nonparticipation will be issued the “FN” grade. The FN grade may have implications for financial aid and scholarship awards.

\*\* An “I” grade may be assigned at the instructor’s discretion to students who are in good standing (passing) in the course. Students should have completed a majority of the coursework in order to be eligible for the “I” grade. Students should request an “I” grade from the instructor with a written justification, which must include explanation of extenuating circumstances that prevented timely completion of the coursework. If the request is approved, the instructor will require a written agreement consisting of **a)** the specific coursework to be completed, **b)** the plan to complete the coursework, and **c)** the deadline for completion. The agreement will be kept on file at **Gunu-Institute Campus**. An incomplete course must be satisfactorily completed within the time frame stipulated in the agreement, but no later than the end of the following semester from the date the “I” was given. An incomplete not removed within one year shall convert to an F and be included in the computation of the student’s grade point average.

### **Academic Integrity**

Students must assume responsibility for maintaining honesty in all work submitted for credit and in any other work designated by the instructor of the course. Academic dishonesty includes cheating, plagiarism, unauthorized possession of academic materials, and falsification. The **Student Handbook** provides information on how students can avoid plagiarism by understanding what it is and how to use the library and Internet resources appropriately with proper citation. Please refer to the **Academic Catalog** for complete policies regarding plagiarism and academic dishonesty.

### **APA**

Students are expected to follow the **Gunu-Institute** requirements when citing in APA (based on the APA Style Manual, 6th edition). For details on **Gunu-Institute’s** APA style, please review the APA resources located under the library tab in the course management system.

### **Netiquette**

All posts and classroom communication must be conducted in a professional and respectful manner in accordance with the student code of conduct. Think before you push the Send or Post button. Did you say just what you meant? How will the person on the other end read the words?

Any derogatory or inappropriate comments regarding race, gender, age, religion, sexual orientation, are unacceptable and subject to disciplinary action. If you have concerns about something that has been said, please let your instructor know.

### **Institutional Policies**

Refer to the Academic Catalog for comprehensive documentation of **Gunu-Institute’s** institutional policies