

**Accounting 456**  
**Spring Semester 2009**  
**Accounting for Nonprofit Organizations**

**Dr. Mark D. Sutter, MBA, CPA, Ph.D.**  
**NMSU Office: N/A**  
**Office Hours: after class & by appointment**  
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**TEXTBOOKS:** Required—Wilson, Kattelus and Reck. *Accounting for Governmental and Nonprofit Entities* (14<sup>th</sup> ed.) Irwin McGraw Hill

**PREREQUISITE:** Accounting 301

**COURSE OBJECTIVE:** Accounting 456 is a study of the conceptual structure, technical terminology, and financial information gathering principles underlying local government and nonprofit financial statements. The course provides the essential foundation for understanding (1) the common types of financial transactions for public entities, (2) how the data are incorporated into the financial statements, and (3) interpretation of the contents of the financial statements. The financial reports produced from such accounting systems are important instruments of accountability to elected officials, the public, boards of directors, executive officers, middle-level managers, donors, bank loan officers, and the media.

**MAJOR LEARNING OBJECTIVES:** (1) Understand/explain the objectives of governmental and nonprofit accounting and financial reporting, (2) Describe the specific types of funds of each fund category and the financial statements required for each, (3) Understand and interpret the content of the government-wide financial statements (4) Understand the timing of recognition and the classification of revenues and expenses of governmental and not-for-profit organizations.

**Welcome!** You will be glad you took this course. It provides an introduction to the accounting process and financial reporting and provides a working knowledge of the accounting model that is used in every municipality, county, and state in the United States. Information in this course is the key to understanding the governmental processes responsible for authorizing and reporting on significant amounts of expenditures and money flows in every city.

**Instructor Bio:** Mark Sutter is the Finance Director for the second largest municipality in New Mexico. He manages a 60 member professional and clerical staff who process, analyze, summarize, and report all financial transactions for the City. He communicates accounting and financial information to various parties including elected officials, the public, bond rating agencies, boards, and other City managers in order to inform, persuade, and/or move to action. He is a CPA, holds an MBA and a Ph.D. in Accountancy, and has served as president and various other officer positions for the New Mexico chapter of the Governmental Finance Officers Association.

**Instructor Availability:** If I do not answer your call or e-mail immediately, leave a message with your contact information and I will contact you within 24 hours. I will be available after class for assistance/discussion.

## HOMEWORK AND EXAMINATIONS:

- Homework assignments will be assigned in advance of the due date and will be collected. Late homework will not be accepted.
- There will be two in-class exams at 100 points each and a comprehensive final at 150 points. Approximately 50 points of the final examination will be comprehensive. **No makeup exams will be given. If you miss an exam and PRIOR TO the exam the instructor approves your absence, you will receive a grade of 0 for the missed exam and must take a comprehensive final that will count as 250 points. If you have not contacted the instructor prior to the exam, you will receive a grade of 0 and will not be able to make-up the points.** If you are participating in a university-sponsored activity and must miss an exam or other work, notify the instructor prior to the event to make alternate arrangements.

## COURSE GRADE:

Your course grade will be determined approximately as follows:

Midterm exams (2@100 points each)	200
Comprehensive final exam	150
Group Discussion/PPT (Ex1/chapter)	50
Homework	<u>50</u>
<b>Total</b>	<b>450</b>

Your Course Grade will be based upon the percentage of the available points earned where A = 90-100%, etc. The instructor reserves the right to lower the above grading scale.

If you are an undergraduate taking this course on the S-U grading basis, an S will be recorded for anyone earning an A, B, or C letter grade. Incomplete (I) grades will only be given under extenuating circumstances and in accordance with university regulations. The regulations state "... the grade of I is given for passable work that could not be completed due to circumstances beyond the student's control ... that developed after the last day to withdraw from the course ... In no case is an I grade to be used to avoid the assigning of D, F, U, or RR grades for marginal or failing work.

**POLICY ON CALCULATORS:** You may use a simple 10-key calculator provided that you use it alone. There is to be no joint use of calculators. Calculators cannot have a programmable, text-display capability.

**AMERICANS WITH DISABILITIES ACT:** If you have, or believe you have, a disability and would benefit from any accommodation(s), you may wish to self-identify by contacting the Services for Students with Disabilities (SSD) Office located at Garcia Annex (phone: 646-6840; TTY: 646-1918) to register. If you have already registered, please make sure that your instructor receives a copy of the accommodation memorandum from SSD within the first two weeks of classes. It will be your responsibility to inform either your instructor or SSD representative (in a timely manner) if the services or accommodations provided are not meeting your needs. If you have a condition that may affect your ability to exit safely from the premises in an emergency or that may cause an emergency during class, you are encouraged to discuss any concerns with the Instructor or the SSD Coordinator. Feel free to call Ms. Elva G. Telles, EEO/ADA & Employee Relations Director, at 646-3635 with any questions about the Americans with Disabilities Act (ADA) and/or Section 504 of the Rehabilitation Act of 1973. All medical information will be treated confidentially.

**ACCT 456  
Spring 2009  
Tentative Schedule**

<b>Date</b>	<b>Chapter</b>	
01/14	Introduction/Chapter 1 Financial Reporting for Governmental and Not-for-Profit Organizations – Groups choose a municipal government w/GFOA Certificate of Achievement for Excellence in Financial Reporting and that has at least one utility; locate its CAFR and budget for Ex1 in most chapters	Q1-1,2 C1-4 E1-1,3
01/21	Chapter 2 Principles of Accounting and Financial Reporting for State and Local Governments	Q2-1,2,9 E2-1,3,5
01/28	Chapter 3 Governmental Operating Statement Accounts; Budgetary Accounting	Q3- 1,4,5,6 E3- 1,2,3,4,5
02/04	Chapter 3 Governmental Operating Statement Accounts; Budgetary Accounting / Chapter 4 Accounting for Govt Operating Activities	E3-7,8,9 Q4- 2,3,4,6 C4-3 E4- 1,2,3,4,5
02/11	Chapter 4 Accounting for Governmental Operating Activities-- Illustrative Transactions and Financial Statements	E4-6,7,8
<b>02/18</b>	<b>EXAM 1 (CHAPTERS 1-4)</b>	
02/25	REVIEW EXAM 1, Chapter 5 Accounting for General Capital Assets and Capital Projects	Q5-2,6,9 E5- 1,2,3,4
03/04	Chapter 5 Accounting for General Capital Assets and Capital Projects, Chapter 6 Accounting for General Long-Term Liabilities and Debt Service	C5-2 E5-5,6,9 Q6-2,5 C6-4 E6- 1,2,3,5
03/11	Chapter 6 Accounting for General Long-Term Liabilities and Debt Service, Chapter 7 Accounting for the Business-Type Activities of State and Local Governments	Q6-10 E6-6,7,9 Q7-2,4,7 C7-1 E7- 1a,2,3,6
03/18	Chapter 7 Accounting for the Business-Type Activities of State and Local Governments	E7- 1b,7,8
03/25	<b>Spring Break</b>	
04/01	Chapter 14 Accounting for Not-for-Profit Organizations	Q14- 1,5,6 E14- 1,4,5,7
<b>04/08</b>	<b>EXAM 2 (CHAPTERS 5-7,14)</b>	

04/15	REVIEW EXAM 2, Chapter 9 Financial Reporting of State and Local Governments	Q9-1,4,8 C9-3 E9-1,2,3,5,6
04/22	Chapter 10 Analysis of Govtl Financial Performance	Q10-1,2,3 C10-3 E10-1,3,4,6
04/29	Chapter 13 Budget, Chapter 11 Audit	Q13-5,9,10 E 13-1,3,4,8 E11-1
<b>05/06</b>	<b>Final</b>	