

## SCHOOL OF ACCOUNTING & COMMERCIAL LAW

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# ACCY 404: PUBLIC SECTOR ACCOUNTING & FINANCIAL MANAGEMENT

Trimester Two 2009

## COURSE OUTLINE

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### Names and Contact Details

- Philip Colquhoun                      RH 716    463 5776                      [Philip.Colquhoun@vuw.ac.nz](mailto:Philip.Colquhoun@vuw.ac.nz)  
(Course Co-ordinator)
- David Macdonald                      RH 601    463 5938                      [David.Macdonald@vuw.ac.nz](mailto:David.Macdonald@vuw.ac.nz)
- Rose Anne MacLeod                      RH 702    463 5044                      [RoseAnne.MacLeod@vuw.ac.nz](mailto:RoseAnne.MacLeod@vuw.ac.nz)

### Trimester Dates

Teaching Period: Monday 13 July to Friday 16 October 2009

End of Year Study Period: Monday 19 October to Monday 26 October 2009

**Withdrawal dates:** Information available via

<http://www.victoria.ac.nz/home/admisenrol/payments/withdrawalsrefunds.aspx>

### Class Times and Room Numbers

- Thursday 1.40 pm – 4.30 pm in RH MZ 04

### Course Content

This course introduces students to key concepts, theories, research methods and research findings in public sector accounting and financial management. The emphasis will be on critically evaluating the theoretical underpinnings and assumptions of accounting and financial management in the public sector.

### Course Learning Objectives

By the end of this course students should be able to:

- critically evaluate different positions on issues related to public sector accounting and financial management;
- communicate in written and oral format their findings of above; and

- understand the range and diversity of research in public sector accounting and financial management.

### Lecture Programme

The first two weeks lectures will be provided by the lecturers and will represent an introduction to the course, and provide background on the public sector in New Zealand in an accounting/financial management context. From week 3 to 8 (depending on student numbers) students will present seminars on public sector accounting issues. However in week 5 the lecture will discuss the research project. In week 9 and 10 students will debate topical public sector issues. A test will be held in week 12.

#### Tentative Dates – subject to class numbers

Week	Date	Topic	Lecturer
1	16 July	Introduction to Public Sector – Part One	David Macdonald
2	23 July	Introduction to Public Sector - Part Two	Rose Anne MacLeod
3	30 July	Student Presentations	
4	6 August	Student Presentations	
5	13 August	Discussion of research project	Philip Colquhoun
6	20 August	Student Presentations	
7	10 September	Student Presentations	
8	17 September	Student Presentations	
9	24 September	Student Debates	
10	1 October	Student Debates	
11	8 October	No Lecture	
12	15 October	Test	
	30 October	Research Paper Due	

### Assessment Requirements

Seminar /Presentation	10%	weeks 3-8
Two debates (10% each)	20%	weeks 9 & 10
Class participation	10%	
Research Paper (around 5,000 words)	40%	due 30 <sup>th</sup> October
Test (100 minutes)	20%	held 15 <sup>th</sup> October

*Note: Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.*

### Mandatory Course Requirements

Students must:

- attend and satisfactorily contribute to 75% of sessions; and
- complete the research paper, presentation, two debates and test.

### Communication of Additional Information

Additional information concerning this course will be by email or during lectures.

## **Class Participation**

Class participation for research presentation, seminars and debate will be assessed at 10% of the overall grade. Active participation is expected, and thus requires background reading of all topics whether the student is involved in the presentation/debate or not.

From week 3 to week 8 the three-hour class sessions will be in the form of seminars, involving discussion and critique of assigned weekly readings to be presented by students on a rotational basis. For effective discussion on the material in the class, it is very important that students read and understand the assigned articles beforehand. Students lead one session with a presentation on a particular topic.

Students select (or are assigned where appropriate) a topic of interest in public sector – possible topics include:

- *accounting for infrastructure*
- *service performance reporting*
- *public sector auditing*
- *public sector assets – accounting issues*
- *government financial management issues*
- *capital charge regimes*
- *local government development*
- *analysing the government's performance*
- *convergence of accounting standards between public and private sector*
- *the public sector and financial reporting standard setting*
- *plus many other topics*

Students are to advise the course coordinator of the topic of their choice plus an alternate topic(s) (topics will be allocated on the basis of first to request) by the end of the first week to allow readings to be distributed with the aim of providing a minimum of two weeks for study prior to presentation date.

*Seminars require:*

- (a) A two to three page critique which identifies the main points (in own words) and critically analyses them. Articles must be appropriately referenced if quoted in the critique. Two discussion questions must be posed for class discussion.
- (b) Emailing of the critique to **all class members and lecturers** by midday Wednesday prior to the presentation.
- (c) Individual presentation of key points for a maximum of 30 minutes, and class discussion of 15 minutes. Total time allotted 45 minutes.

One seminar is required to be presented by each student.

The presentations and critique will be assessed at 10% of overall grade.

## **Debates**

In week 9 and week 10 the class sessions will be in the form of one hour debates on an assigned topic.

Students will be allocated into teams which will argue either for a particular view on a public sector accounting issue or argue against the view. Students will be provided with readings but will be expected to research for additional material to support their position.

Each student will participate in two debates. Each debate will be assessed at 10% of the overall grade.

## **Research Project – A silent and shadow report**

Students are required to undertake a Research Project. In 2009 we will focus on non-financial reporting by a variety of public sector entities.

The research project will take the form of a silent and shadow non-financial report for one public sector entity for the 2007/08 financial year. Students will choose the public sector entity in consultation with the teaching staff.

To date silent and shadow reports have been used in the social and environmental accounting literature “as a means through which an entity’s social reporting can be assessed for completeness and discharge of accountability” (Adams 2008 p. 7). In this case we will use silent and shadow reports to evaluate the completeness of non-financial reporting and thus the discharge of accountability by the entity.

*A silent report gathers all internally generated disclosure (in this case of non-financial performance) from various internal reports and sources including the annual report, combining them into one report. The silent report is intended to reflect the organisation’s voice. A shadow report gathers the externally generated disclosure (in this case of non-financial performance) from a wider range of stakeholders and combining this information into one report using the same headings as the silent report. The two reports can be used to evaluate the reporting by the entity and thus how well it discharges its accountability.*

The research report accounts for 40% of the overall grade.

In week 5 the normal lecture time will be allocated to a discussion of progress to date on the project. Students are expected by this date to have undertaken primary work on their project and will have something to contribute in this discussion in terms of identifying sources and arranging the information for this project.

## **Test**

A 100 minute test will be scheduled in week 12 and will be assessed at 20% of the overall grade.

## **Penalties – Late Submission**

In fairness to other students, work submitted after the deadline will incur a 5% penalty (of the mark obtained) for each day late. Extensions may be granted with no penalty to those who meet the University’s aegrotat rules (e.g. medical certificate, family bereavement).

## Readings

The readings that will form the start of discussions for each session will be provided. However students are expected to develop their own reading programme to supplement that material. To aid this reading lists will be handed out during the course and students' attention is drawn to the attached list of relevant sources.

Most class sessions will be assigned readings. These are the minimum preparation required for each session. Reading in preparation for the research paper will need to be wider than the assigned readings. Students are encouraged to make full use of the library.

### *Legislation and authoritative pronouncements:*

- Local Government Act 2002
- Public Finance Act 1989 and Amendments
- State-Owned Enterprise Act 1986
- Crown Entities Act 2004
- Public Audit Act 2001
- ICANZ Statement of Concepts
- Crown Financial Statements
- Departmental Annual Reports
- Departmental Statements of Intent

### *Journals available in hard copy in VUW library include:*

- Accounting, Auditing and Accountability Journal
- Accounting, Organisations and Society
- Financial Accountability and Management
- Governance
- Government Accountants Journal
- Journal of Accounting and Public Policy
- Public Administration Review
- Public Budgeting & Finance
- Public Finance and Accounting
- Public Sector
- Research in Governmental and Nonprofit Accounting
- The Chartered Accountants Journal of New Zealand

### *Books:*

**Boston J. et al**, *Public Management: The New Zealand Model*, Oxford University Press, Auckland, 1996

**The Treasury**, *Putting it Together - An Explanatory Guide to the New Zealand Public Sector Financial Management System*, Wellington, 1996 [**Note: Some of this publication is out-of-date and it must be read together with "A Guide to the Public Finance Act" (see below)**]

**The Treasury**, *A Guide to the Public Finance Act* (August 2005)

**Norman R.**, *Obedient Servants? Management Freedoms and Accountabilities in the NZ Public Sector*, Victoria University Press, 2003

**Pallot, June.** *The Legacy of June Pallot: Public Sector Financial Management Reform* edited by Susan Newberry, Information Age Publishing, USA, 2006

**Schick A.**, *The Spirit of Reform: Managing the State Sector in a Time of Change*, State Services Commission, Wellington, 1996

**Scott G.C.**, *Public Management in New Zealand: Lessons and Challenges*, New Zealand Business Roundtable, 2001

### *The Internet:*

The following addresses contain information about aspects of the New Zealand public sector:

<a href="http://www.govt.nz/">http://www.govt.nz/</a>	NZ Government Home Page – includes links to departments
<a href="http://www.oag.govt.nz/">http://www.oag.govt.nz/</a>	Office of the Controller & Auditor-General
<a href="http://www.treasury.govt.nz/">http://www.treasury.govt.nz/</a>	The Treasury
<a href="http://www.ssc.govt.nz/">http://www.ssc.govt.nz/</a>	State Services Commission
<a href="http://www.wcc.govt.nz/">http://www.wcc.govt.nz/</a>	Wellington City Council
<a href="http://www.oecd.org/">http://www.oecd.org/</a>	OECD – Includes many papers on Public Management

There are many sites nationally and internationally that relate to the public sector and public sector accounting - you are encouraged to surf the Internet.

### **Use of Turnitin (if applicable)**

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <<http://www.turnitin.com>> Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

**For the following important information follow the links provided:**

#### **Academic Integrity and Plagiarism**

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

#### **General University Policies and Statutes**

<http://www.victoria.ac.nz/home/about/policy/academic.aspx>

#### **Faculty of Commerce and Administration Offices**

<http://www.victoria.ac.nz/fca/studenthelp/Contactus.aspx>

#### **Manaaki Pihipihinga Programme**

[http://www.victoria.ac.nz/st\\_services/mentoring/](http://www.victoria.ac.nz/st_services/mentoring/)