



**American
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Message from **Tammy R Waymire**,
Middle Tennessee State University,
AAA GNP Section President

Dear GNP Members:

I am grateful for the opportunity to serve as President of the Government and Nonprofit (GNP) Section this year and look forward to working with each of you. I became involved in the GNP Section about ten years ago, and this group has been my tribe – providing encouragement, help, and a dose of humor when needed. I am grateful for the opportunities provided by and relationships formed in this Section, and want to help facilitate those kinds of opportunities and relationships for those of you who are beginning your journey in the GNP Section. To that end, please know that I welcome and encourage your comments and suggestions.

Our Section has made a concerted effort to increase our impact both on the academy and on the profession. Within the academy, we are committed to supporting those who are teaching governmental and nonprofit accounting. With often only one such course offered to our undergraduate and graduate students, GNP instructors may have only one brief opportunity to encourage students to consider GNP-related careers. We want to support these instructors and their efforts. This fall, some of our members participated in the first ever joint FASB/GASB webcast, Not-for-Profit and Governmental Accounting for Academics. Thank you to Rick Cole (FASB), Dean Mead (GASB), and Jeff Mechanick (FASB) for their efforts in putting together a great webcast.

Brian McAllister, as Education Committee Chair, has worked diligently in putting together education-related sessions at our meetings and updating the website to include a wide range of teaching resources. Rebecca Bloch is our new Education Committee Chair, and she is working on events and ideas for additional teaching support. We have also made a concerted effort to support doctoral students and assistant professors who are pursuing GNP research interests. Erica Harris, as Doctoral Program Liaison, spearheaded an initiative to connect these doctoral students and assistant professors with mentors in the section, a process that includes review of their work and an opportunity to collaborate at the annual meeting.

As an important element of our impact on the academy, our section journal, JOGNA, is thriving. The statistics provided by the AAA reflect a significant increase in JOGNA submissions over the period 2014 through 2017, with a median time to first decision of 63 days in 2017. We are pleased that Vaughan Radcliffe has agreed to serve a second term as Editor of JOGNA. His second three-year term begins September 1, 2019.

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Our Section activities that contribute broadly to the accounting profession include active participation in the standard-setting process. Dara Marshall serves as Chair of our Accounting and Auditing Standards Committee, and recently led the effort to submit a comment letter to the GASB related to Revenue and Expense Recognition. Our team included Dara, Nancy Chun Feng, Mary Fischer, Renee Flasher, Amy Foshee Holmes, Louella Moore, Carol Jessup, Daniel Neely, and Terry Patton. Our Section voted at the mid-year meeting to allow comment letters to be considered for publication in JOGNA. If you would like to participate in writing a comment letter to the FASB, GASB, FASAB, or GAO, we would love to have you participate through the Accounting and Auditing Standards Committee.

We are proud of the individual contributions our members make to the academy and the profession. The following individuals were recognized for their contributions at our Annual Meeting:

- Yulianti Abbas – Outstanding Dissertation Award for her dissertation, “Municipalities Disclosure: Current Practices and Value Relevance in the Municipal Market”
- Marc Rubin – GNP Enduring Lifetime Contribution Award
- Huilan Zhang, Hassan Hassab Elnaby, and Amal Said – Best Paper Award for their paper, “Analyzing the Simultaneous Relationship between Lean Implementation and Managerial Ability – Evidence from the Healthcare Industry”
- Kathy Jervis – Distinguished Service Award

Please join me in congratulating these individuals for their exceptional contributions!

Behind the scenes there has been a great deal of work in the GNP Section over the last year or so. I am especially grateful to Kathy Jervis, immediate past President, for her efforts in leading the by-laws revision that was required by the AAA in its efforts to synchronize the by-laws across the sections. We are also working on creating our first operating manual and hope to have that out to you soon. I am grateful to each person on the Executive Committee for their help with all of the work that has gone into the by-laws and the work still to be done on the operating manual.

Last but not least, we are grateful for the financial support of KPMG and for our Vice-President of Practice, Mandy Nelson, who supports our section by providing insight and feedback, coordinating speakers, and helping us in our outreach efforts. We enjoy this collaboration with you!

Please make plans to join us in Norwalk, CT, where the GASB will host our 2019 GNP Section Mid-Year Meeting. We are working on a great set of sessions with an emphasis on standard-setting on Friday, March 8, and a day of concurrent research sessions on Saturday, March 9.

I am honored to work among such a great group of scholars and look forward to this year with you. Please feel free to reach out with comments. Here’s to a great academic year! See you in Norwalk.

Sincerely,

Tammy R. Waymire

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2018 Annual Meeting Recap

The annual meeting began with a pre-conference workshop on Sunday morning. Speakers were Robert Edger of the Naval Postgraduate School, Linda Parsons of the University of Alabama, Alan Styles of California State University San Marcos, and Tammy Waymire of Middle Tennessee State University. The workshop was attended by seven participants.

At the main conference, there were nine concurrent sessions representing 27 papers dedicated to GNP research. The sessions would not have been possible without all of the volunteer support. A big thank you to all the reviewers, discussants, and moderators!

Four awards were presented during the GNP section lunch and business meeting on Monday afternoon: the Best Paper, Outstanding Dissertation, Lifetime Achievement, and Distinguished Service. In addition, during the Academy of Accounting Historians Section luncheon, an award was presented to a GNP scholar. These awards are described below.

Best Paper Award

The GNP section annual meeting best paper award was presented to Huilan Zhang, Hassan Hassab Elnaby, and Amal Said, for their paper “Analyzing the Simultaneous Relationship between Lean Implementation and Managerial Ability – Evidence from the Healthcare Industry.”

Outstanding Dissertation Award

This year’s winner was Yulianti Abbas for her dissertation titled, “Municipalities Disclosure: Current Practices and Value Relevance in the Municipal Market.”



Yulianti received her Ph.D. from the University of Indiana and is now the Director of the Graduate Program in Accounting at Universitas Indonesia.

Enduring Lifetime Contribution Award

At the GNP luncheon and business meeting, the GNP Enduring Lifetime Contribution Award was presented to Marc Rubin, Dean and Mitchell P. Rales Chair in Business Leadership & Professor at Miami University. Among Professor Rubin’s many prestigious leadership positions, he currently serves as President of the American Accounting Association.

Over the past three decades, Professor Rubin has been recognized as an international & national GNP leader through his research, teaching, and service. Among his countless contributions to the GNP section, he has held the positions of President (1999-2000) and Vice-President of Education and Research (2008-13).



We deeply thank Professor Rubin for his substantial service to the GNP section!!

Distinguished Service Award

At the GNP luncheon and business meeting, a distinguished service award was presented to Past GNP section President Kathryn Jervis (Professor, the University of Rhode Island) for her distinguished leadership and service to the section. Among her many service activities, Professor Jervis is currently serving as an American Council on Education (ACE) Fellow. This enrichment program is designed to prepare senior leaders to serve American Colleges and Universities.

Academy of Accounting Historians

One of our past Enduring Lifetime Contribution Award winners, Gary Giroux, received the 2018 Barbara Merino Award for Excellence in Accounting History publication, from the Academy of Accounting Historians Section at the AAA Annual Meeting. The award was for his book *Accounting History and the Rise of Civilization*.

Doctoral Mentoring Activities

By Erica Harris, Doctoral Program Liaison

- **Attention PhD students and new faculty:** The section is excited to announce that we will again hold a mentoring session and networking luncheon at the 2019 annual meeting in San Francisco, CA. Please contact Erica Harris at: erica.harris@villanova.edu if you are interested in participating.

- **Attention PhD students:** applications for 2019 Midyear meeting travel grants are due by 12/15/18 to Erica Harris at erica.harris@villanova.edu.



Call for Papers Journal of Governmental and Nonprofit Accounting

By Vaughan S. Radcliffe, Editor

The *Journal of Governmental & Nonprofit Accounting* (JOGNA) is the academic journal of the American Accounting Association's Government and Nonprofit Section. JOGNA's objectives are to promote, publish, and build the community of those conducting research in governmental and nonprofit accounting, and to create new knowledge in this field.

To this end, the role of the editorial board is to identify promising manuscripts and to advise and support authors of these manuscripts toward publication.

Appropriate topics for the journal include, but are not limited to:

- Financial reporting by Governmental and Nonprofit Organizations
- Governance practices in Governmental and Nonprofit Organizations
- Audit markets for Governmental and Nonprofit Organizations
- Financing Governmental and Nonprofit enterprises
- Budgeting and financial management in Governmental and Nonprofit Organizations
- Evaluating charitable organizations
- Performance audits
- State oversight of local governments
- The role of accounting in political markets

- The use of accounting information in markets for philanthropic resources
- Financial and nonfinancial performance metrics in Governmental and Nonprofit Organizations
- Compensation in Public Sector and Nonprofit Organizations
- Regulation of reporting requirements for Governmental and Nonprofit Organizations
- Federal Accounting Standards
- Evaluating the public policy objectives, consequences, and performance of Governmental and Nonprofit Organizations
- Government Auditing Standards
- Government Cost Accounting Standards and the CASB

Appropriate methodologies include, but are not limited to:

- Empirical studies using archival data
- Laboratory studies
- Theory-based analysis
- Case studies
- Ethnography and field research
- Accounting history

Submission and Review Process: The manuscript submission/review process is completed online using the American Accounting Association online submission and peer review

system available at the following link:
<http://jogna.allentrack.net>

The nonrefundable submission fee in U.S. funds is \$70 for members of the AAA Government and Nonprofit Section and \$100 for nonmembers of the AAA Government and Nonprofit Section, payable online by credit card (VISA or MasterCard only). [Click Here](#) to view the online payment form. If you are unable to pay by credit card or have any questions, please contact the AAA Member Services Team at (941) 921-7747 or by e-mail at info@aaahq.org.

Submitted manuscripts should be original research not previously published and not under consideration at another journal. After screening by the editorial board for suitability, submissions will be reviewed by qualified reviewers under the direction of the editor. Revisions not resubmitted within 12 months from notification will be considered new submissions. *JOGNA* is an online journal. Accepted articles will be published (posted online) shortly after their acceptance.

The JOGNA Editorial Board Members can be viewed at the following AAA link: [Click Here](#).

Governmental Accounting Standards Advisory Council (GASAC) Update

By Terry Patton, Vice President and Director of Education & Research

July 2018 GASAC Meeting

The Governmental Accounting Standards Advisory Council (GASAC) held its second meeting of the year on July 9 and 10, 2018 in Flushing, New York. Much of the meeting involved GASAC members providing feedback to the Governmental Accounting Standards Board (GASB) on a number of projects.

Two projects should be of special interest to members of the GNP section. The first is a concepts project on recognition of elements in the financial statements, and the second is the financial reporting model project. The GASB issued separate Preliminary Views documents for these projects on September 12, 2018. The due date for comments is February 15, 2019.

In the recognition of elements of financial statements concepts project, the Board proposes a short-term financial resources measurement focus to replace the current financial resources measurement focus for governmental funds. With the new measurement focus, financial assets and financial liabilities would be reported so that symmetry would exist for governmental fund assets and liabilities. Financial assets would include cash, assets that are available to be converted to cash, and assets that are consumable instead of cash. From a practical perspective, the proposed change in the measurement focus will

result in the GASB reconsidering whether long-term receivables that have not become due should continue to be reported as assets in governmental fund financial statements.

The GASB addresses the ramifications of the change to the short-term measurement focus in the financial reporting model improvements project. This project likely will eventually result in a new financial reporting standard that will require several changes to current governmental fund financial reporting. The proposal includes new financial statements for governmental funds—a short-term financial resources balance sheet and a statement of short-term financial resource flows. In addition, governments would report budgetary comparison information as required supplementary information rather than having an option to report such information as part of the basic financial statements. Another important aspect of this Preliminary Views is that it proposes definitions for operating and nonoperating revenues and expenses for proprietary funds.

I encourage you to review the Preliminary Views documents and respond to the GASB regarding your views of these proposals. The GASB and its related project staff read *all* comments on due process documents. In the past, academics have been able to provide valuable input on GASB proposals—especially on matters related to concepts.

Accounting and Auditing Standards

By Dana Marshall, Chair of the Accounting and Auditing Standards Committee

GNP Members--- we are calling for volunteers to serve on a sub-committee of the Accounting and Auditing Standards Committee that will draft and submit a comment letter to the GASB's recent Invitation to Comment on two Preliminary Views documents: *Financial Reporting Model Improvements* and *Recognition of Elements of Financial Statements*. If you have not read either of these Preliminary Views, I strongly encourage you to review the documents at the GASB website:

Links to documents:

Financial Reporting Model Improvements
https://www.gasb.org/jsp/GASB/Document_C/DocumentPage?cid=1176171382412&acceptedDisclaimer=true

Recognition of Elements of Financial Statements

https://www.gasb.org/jsp/GASB/Document_C/DocumentPage?cid=1176171382715&acceptedDisclaimer=true

Comment letters are due by **February 15, 2019**.

It is extremely important that our section and its members continue to provide feedback to these ongoing projects. The committee will conduct a majority of its work by telephone and/or electronically. If you are interested in serving on the committee please contact: Dara Marshall (dara.marshall@tamuct.edu) as soon as possible.

Have You Seen?



GNP research is published in a wide range of journals. Since you cannot read them all, this feature of the newsletter highlights a **sample** of recent research that you may have missed.

“Management Accounting and Control in the Hospital Industry: A Review” by L. Eldenburg, H. Krishnan, and R. Krishnan. *Journal of Governmental and Nonprofit Accounting*. 2017.

Abridged Abstract: This paper presents an overview of the literature in management accounting and control systems (MACS) in the hospital industry.

“When Knowledge is Power: Evidence from the Municipal Bond Market” by Christine Cuny. *Journal of Accounting & Economics*. Feb. 2018. **Abridged Abstract:** I investigate whether access to fundamental information enhances retail investors’ bargaining power, reducing the premium that small municipal bond investors pay over large investors.

“Differences in Internal Control Weaknesses Among Varying Municipal Election Policies” by Amanda Peterson. *Journal of Accounting and Public Policy*. May 2018. **Abridged Abstract:** In a time when regulators and constituents are growing increasingly concerned with municipal fraud, abuse, waste and inefficiencies, developing a well-designed, effective internal control system is key for municipalities to curb these issues. In this study, the relationship between municipal elections and internal control weaknesses is examined.

“The Impact of Noncompliance and Internal Control Deficiencies on Going Concern Audit Opinions and Viability of Nonprofit Charitable Organizations” by Nancy Chun Feng. *Journal of Accounting, Auditing and Finance*. 2018.

Abridged Abstract: This study investigates

whether material noncompliance (*MNC*) with laws and regulations and internal control deficiencies (*ICDs*) in a nonprofit charitable organization (NPO) affect the likelihood that the NPO receives a going concern audit opinion (*GCO*) and the viability of the NPO.

“Are Audit-Related Factors Associated with Financial Reporting Quality in Nonprofit Organizations?” by S. Garven, A. Beck, and L. Parsons. Feb. 2018. *Auditing: A Journal of Practice & Theory*. **Abridged Abstract:** We examine the effects of several audit-related factors on nonprofit financial reporting quality (FRQ). Using four different measures of FRQ, we demonstrate that the findings of nonprofit accounting research might be sensitive to the choice of FRQ proxy.

“Opportunistic Financial Reporting Around Municipal Bond Issues” by Amanda Beck. Sept. 2018. *Review of Accounting Studies*. **Abridged Abstract:** Understanding how government officials exercise discretion over financial reporting is essential for citizens, regulators, and

researchers to interpret and monitor financial performance. I examine two measures of discretion in governmental financial statements: abnormal accruals in full accrual financial statements, and other financing sources and uses in modified accrual financial statements.

A sample of reports recently issued by the GAO that may be of interest:

- Managing for Results: Government-Wide Actions Needed to Improve Agencies’ Use of Performance Information in Decision Making - GAO-18-609SP, Sept. 5, 2018.
- 2020 Census: Continued Management Attention Needed to Address Challenges, Risks with Developing, Testing, and Securing IT Systems. - GAO-18-655, Aug. 30, 2018.

GNP Midyear-- Call for Papers

Please save the date: The Government and Nonprofit (GNP) Section [Midyear Meeting](#) will be held on **March 8-9, 2019** at the Governmental Accounting Standards Board offices in Norwalk, CT. A limited number of rooms have been reserved at the Even Hotel (which is across the street from the GASB/FASB offices) at the discounted conference rate.

The meeting will provide participants with an opportunity to showcase their research and participate in the discussion of others' research in concurrent sessions, to hear from standard-setters and leading professionals regarding contemporary developments in GNP topics, and to collaborate with GNP colleagues.

We welcome theoretical, practical, pedagogical and case-study papers on any government or nonprofit accounting research topic. We encourage the submission of completed studies, emerging studies (studies that are in the early stages of development), as well as dialogue studies (studies that are approaching completion). Papers not accepted for concurrent sessions will

be considered for emerging studies and/or dialogue discussions. Papers accepted for concurrent sessions will be considered for the best paper award. Please submit your work by the deadline of **11:59 pm EST on Wednesday, November 7, 2018**.

All submitting authors and co-authors will be asked to volunteer to serve as reviewers of submissions, as well as moderators and/or discussants at the meeting. We also invite those who do not submit papers, but with interest in attending the conference, to volunteer as reviewers, moderators, and discussants.

To submit a paper or volunteer as a reviewer, discussant or moderator), please [Click Here](#) to access the submissions system using your AAA member ID and password.

Doctoral students are warmly invited to participate in the conference at a reduced rate, and student travel grants are available. [Click Here](#) for more information.

Please indicate under "Additional Info" if you are a new faculty member, and/or if this is your first time attending a GNP Midyear Meeting.

Non-tenure track faculty and accounting professionals are encouraged to attend at a reduced rate. Accounting professionals have the option of attending Friday, March 8, when we will

hear from standard-setters from the GASB and FASB, as well as leaders from the profession.

We gratefully acknowledge KPMG Foundation for its generous support in sponsoring the 2019 GNP Midyear Meeting.

CIGAR Network

By: Suzanne Lowensohn, University of Vermont

The Comparative International Governmental Accounting Research (CIGAR) Network is an organization whose mission is to promote worldwide discussion and research on comparative governmental accounting. The group sponsors conferences and workshops dedicated to governmental accounting research themes. CIGAR celebrated its 30th anniversary in the summer of 2017, having been co-founded in 1987

by James Chan (University of Illinois at Chicago), Rowan Jones (University of Birmingham) and Klaus Lüder (German University of Administrative Sciences Speyer). The first conference was held in Chicago, but since that time, US involvement has ebbed and flowed. There are several research outlets associated with the group and/or identified on the CIGAR website at <http://cigar-network.net/>.

Let Us Hear From You

The deadline to submit items for inclusion in the next issue of **Government & Nonprofit News** is tentatively set for **March 31, 2019**. Submit newsletter items (maximum of 350 words per item) to:

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