

Government accounting



Reporting Memo: Government Accounting and Accountability of the Subject

Name of the Concerned Professor

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Reporting Memo: Government Accounting and Accountability

From: Name of the Person who is Sending the Memo

To: Name of the Audience for Whom the Memo is written

Date: The Date when the Memo is sent

Subject: How Increasing Scrutiny and Demand for Accountability by the Public has Influenced Reporting for the Non-Profit and Government Entities.

This memo was drafted to inform to the concerned nonfinancial audience as to how increasing scrutiny and demand for accountability by the public has affected and influenced reporting for not-for-profit and governmental entities.

In the last two decades, there has emerged a widespread public opinion in the favor of soliciting enhanced accountability and scrutiny as to the resources utilized by not-for-profit and government organizations and institutions. The legislators in the various states have responded to such public aspirations by calling for mandates for accountability and the setting of stringent performance criteria. The entire premise behind this activism is that the onus of accountability and the possibility of a scrutiny will make the government and non-profit organizations act as responsible custodians of public wealth and will make them utilize the resources more efficiently and productively (Granof, 2002). Such aspirations had a significant impact on the reporting formats and methods resorted to by not-for-profit organizations and government organizations and institutions.

The latest accounting standards elaborately lay down the norms and

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principles that the administration and auditors in the government and not-for-profit organizations are required to follow. The government and not-for-profit entities are required to satisfy the appropriate authorities that they are pursuing the acceptable and valid accountability standards for the purposes of financial disclosure and reporting (Granof, 2002). In addition, they are required to chalk out and promulgate specific, discernable and quantifiable goals and performance targets.

The government and not-for-profit organizations are well aware of the fact that with this rise in public scrutiny, there has been an unprecedented increase in the need for placing the people and organizations managing public funds under stringent accountability norms. Hence, they are gearing up to align their accounting and reporting procedures in consonance with this upsurge in the demand for transparency and efficiency. The revised auditing and reporting standards are expected to be as per the internationally acceptable norms and the federal and state laws, which are required to present a fair picture of the involved organizations' financial position and the overall results of the operations carried out by them (Granof, 2002).

In the changed circumstances, the management and the administrators of the state and not-for-profit entities are expected to be directly responsible for the veracity and credibility of the content and format of the financial reports, data and information extended by them. They are required to check the internal lapses and irregularities by timely putting into place elaborate internal control mechanisms. The upcoming statutory guidelines are expected to place public organizations under the compulsion to maintain and provide free public access to all the relevant information and data required

to scrutinize the activities carried out by them (Granof, 2002).

Works Cited

Granof, Michael H (2002). Core Concepts of Government and Not-for-Profit Accounting. New York. Wiley.