### Course Description

This course will help prepare students to take financial leadership roles in nonprofit health, human service and community organizations. Students will learn the fundamentals of budgeting, accounting, nonprofit financial statements and financial analysis. Through readings, lectures, real-world case studies, and assignments, students will gain an understanding of how to use financial information in organizational planning and implementation; control; reporting; and analyses necessary to better manage agencies and programs. In addition, students will participate in the development and interpretation of financial statements, creation and analysis of budgets and learn about budgeting methods and analytical tools necessary to better manage and measure an agency’s performance in achieving outcomes.
II ACADEMIC POLICIES

Academic Integrity: Academic integrity in the completion of tests, oral presentations and written assignments is expected. Violations of academic integrity (e.g. plagiarism) are very serious offenses. Violations will result in notification to the Assistant Dean for the appropriate program and may result in referral to the Academic and Professional Integrity Committee, which could lead to dismissal from the program. Please review and adhere to the entire set of Academic Integrity guidelines.

Special Needs: If you have a learning disability, sensory or physical disability or other impairment, and you may need special assistance in lectures, reading, written assignments, and/or exam taking, please contact the Director of Student Affairs who can provide coordination of accommodations at Washington University and University College. The Disability Resource Center, a University-wide resource, provides diagnostic and academic accommodations support and referrals.

III TEXT/REQUIRED READING

Completing the assigned readings for the course is critical to grasping the vast amount of content covered. A variety of sources are used to bring context to the subject matter. They include but are not limited to textbook materials, journal articles and other reference material. Two texts are required for the course. These texts were selected as required as they serve as strong basic reference material for general nonprofit financial management practice.

Required Texts


Additional readings will be assigned throughout the course as needed.

VI ORGANIZATION OF COURSE

This class is designed to provide students with the information, experiences, theories and
practices necessary for them to gain or deepen their understanding of the financial management function in a nonprofit agency. The course design presumes that the student is an adult learner has taken the lead role in acquiring this knowledge and that the instructor is actively engaged in supporting this effort. Students are expected to commit to the reading assigned and encouraged to pursue other source material in preparation for the classes and assignments.

The course might be described as an extensive discussion of the information, activities and decisions needed to develop and support effective programs, that is programs that achieve their mission. Students will be expected to actively engage in each class - sharing their questions and observations from the reading, their experiences or even current events.

Each student will be asked to select a nonprofit agency on which they will conduct an assessment their financial performance and processes. In the second half of the course, the students will be invited to form teams for the purpose of making a presentation to the class on a topic of practical importance to most nonprofits.

V ROLE OF FACULTY AND STUDENTS

Role of Instructor: The instructor is responsible for the learning environment and course content. The instructor will grade all assignments and provide appropriate feedback. The instructor will respond to student inquiries regarding the readings and course assignments. The instructor will make himself available to meet with students by appointment. Students are encouraged to seek guidance as needed throughout the semester.

Role of Students: Class attendance and participation: The developmental nature of learning in this class requires that students keep up with assignments and attend class sessions. Students are expected to participate in each and every class and their participation will be assessed by the instructor, and fellow students in determining their final grade. It is the student’s responsibility to seek guidance and feedback from the instructor as needed to assure their progress. Students are expected to attend all class sessions unless illness or other emergencies make attendance impossible. If you are unable to attend class, please contact the instructor in advance, or failing that, immediately afterwards.

Use of electronics: While laptop computers are permitted in class to work on group projects and to take lecture notes, their use can also be disruptive to the overall learning environment. It is expected that student’s use of electronics be professional during classroom time. The instructor reserves the right to ask students to shut down their computers if determined disruptive to the learning environment.
Writing style requirements: All papers must be typed, and written using APA style including title and reference pages, section headings, and page numbers unless otherwise specified. Please follow the guidelines in the most current edition of the APA publication manual for format and citations in your written assignments. This manual is available at the campus bookstore, the library, and the writing lab.

All papers must be completed by the assigned dates and submitted prior to class. One letter grade will be deducted for each day a paper is late. Hard copies of papers will not be accepted. Grading rubrics are provided in this syllabus.

VI ASSIGNMENTS AND GRADING CRITERIA

Nonprofit Financial Review
Due: November 19, 2014 prior to class
Length: 10 pages
Worth: 30 points total

To facilitate students’ in-depth understanding of nonprofit financial management, students will complete an overview of a nonprofit organization that will include an analysis of the statement of financial position and the statement of activities; a description of the budgeting process; and a description of the agency’s financial management organizational structure.

Students are encouraged to select an organization of which they are personally familiar, such as previous places of employment or volunteer activity.

Financial Management Paper/Presentation
Due: October 1, 2014 prior to class
Length: 20 pages plus appendices as appropriate
Worth: 30 points

The final project paper is a written overview on a specific topic of practical importance to a nonprofit financial manager. Students will be assigned to teams and will recommend the topic. Examples of topics are a comparative analysis of accounting software, a cost-benefit analysis of whether to purchase an asset (i.e. a copier/printer) or a break-even analysis for a program.
Weekly Class Reflection on Discussion Board
Worth: 5 points

Students are expected to be adult learners, actively contributing in all areas of the class. A Discussion Board has been created on Blackboard for students to reflect on the subject matter from the course or share relevant content and thought and personal opinion from outside the classroom. Postings are expected weekly with a total of 14 for the semester.

Group Member Evaluation
Worth: 5 points

Students will also be rated by their group project members on their individual role and contribution to the group project. An average from group members will be used to determine participation points.
Criteria for group contributions include:
- sharing of workload within all aspects of project (1);
- showed understanding and action to meet timelines (1);
- respectful and active communication to group members (1);
- display of professionalism to stakeholders (1);
- display of professionalism to group members (1).

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VII  COURSE OUTLINE

Class 1 & 2: An Introduction to the Financial Management of Nonprofit Organizations

Objectives:
- To be generally familiar with the nonprofit sector’s historical importance
To understand how nonprofits are differentiated
To understand what it means to adopt a “financial perspective”
To introduce basic terms and vocabulary to be used throughout the course
To introduce the relationship between the systems (logic) modeling, program planning and performance measurement

Readings:
- Coe, chap. 1
- Worth, chap. 2
- Martin, chap. 2
- McLaughlin, chap. 1 & 2

Class 3: Nonprofit Financial Statements

Objectives:
- To be able to define and explain in general terms “Sarbanes – Oxley” and its importance
- To know the names, purposes and composition of the five financial statements common to most nonprofits
- To know the significance of the Statement of Financial Accounting Standards 116 and 117.

Readings:
- Jackson, chap. 1
- Accounting Coach: Financial Statements of Nonprofits

Class 4 & 5: Accounting Fundamentals

Objectives:
- To be familiar with the organizations established to set and maintain accounting standards
- To know basic accounting terms
- To understand the “accounting system” and the three “documents” used to carry out the bookkeeping function
- To understand what is meant by “internal controls” and why it is important

Readings:
- Coe, chap. 3
- FAF Overview of Accounting Standards
- Accounting Coach: Accounting Basics
- Accounting Coach: The Accounting Process
Class 6 & 7: Financial Analysis: Variance Analysis

Objectives:
- To comfortably apply simple calculations of ratios and rates of change to financial statements and reports to produce useful information for the board and management team.

Readings:
- Coe, chap. 5
- McLaughlin, chap. 6
- Peter Kramer, “Top Indicators of Nonprofit Financial Health” (Nonprofit Finance Fund)
- The Analysis of Key Financial Ratios in Nonprofit Management
- Martin, chap. 7 & 8
- Kettner, chap. 2 & preview chap. 13

Class 8: MIDTERM EXAM; Budgeting: Performance Measures

Objectives:
- To be able to provide a complete explanation of each component of a comprehensive budgeting system
- To be able to provide a definition and description of a systems model and describe how it is used to measure program performance.

Readings:
- Martin, chap. 7 & 8
- Kettner, chap. 2, 8, 12 & 13

Class 9 & 10: Budgeting

Objectives:
- To understand and be able to clearly articulate the importance, characteristics and types of budgets used by nonprofits.
- To know the roles that key board and staff members play in the budgeting process
- To understand the importance and process of establishing budgeting guidelines, priorities and goals
- To understand in general terms how a diverse revenue stream can affect the budgeting process.
- To understand in general terms what is involved in leading an agency budgeting team through a budgeting calendar, and the more common alternative budgeting processes available to nonprofit agencies

Readings:
Class 11: Financial Analysis: Cash Flow, Forecasting and Break-Even Analysis

Objectives:
- To understand the argument and processes that explain and support the cash management strategies discussed in class
- To know how to conduct a break-even analysis

Readings:
- Dropkin, chap. 17 - 24

Class 12: Audit & Risk Management; Accounting Software

Objectives:
- To understand what is meant by “Risk Management”, its relationship to the accounting and budgeting processes and how it is achieved, in general terms
- To know the main sources of auditing standards
- To differentiate between the different types of audits commonly undertaken
- To be familiar with the process of selecting an external auditor
- To have a broad understanding of the types and features of accounting software
- To understand why and how accounting software is used

Readings:
- Coe, chap. 4
- Martin, chap. 14 & 15
- Introduction to Quickbooks
- History of Computerized Accounting Systems Technologies

Class 13: Course Review/ Final Exam Preparation; Final Presentations

Objectives:
- To reviews topics and material to be covered on the final exam
- To hear and give feedback on student presentations.
- Final papers due

Class 14: Final Exam; Final Presentations
Objectives:

- Final exam
- To hear and give feedback on student presentations.