I. COURSE DOMAIN AND BOUNDARIES

Planning agency expenditures, keeping track of money, and financial reporting are the foci of this course. Major topics include: (1) the budgeting process, (2) accounting methods and procedures, (3) financial reporting procedures, (4) audits, and (5) financial evaluation. Values and ethics in financial management in not-for-profit organizations are emphasized throughout the course. The course begins at an introductory level; no previous background in budgeting, accounting, reporting, or any aspect of financial management is assumed.

II. OBJECTIVES

1. To develop basic knowledge and competence in budgeting and fiscal management in not-for-profit organizations. Specifically, to develop basic skills in (1) financial planning and evaluation, (2) budgeting, (3) accounting, (4) financial reporting, and (5) managing audits. ("Basic knowledge and skills" is defined as a beginning professional level of understanding and capability.)

2. To learn basic legal obligations, generally accepted accounting and reporting principles, and ethical considerations in financial management in not-for-profit organizations.

3. To understand ethical issues related to financial management in not-for-profit organizations.
III.  MSW COMPETENCIES ADDRESSED IN THIS COURSE:

<table>
<thead>
<tr>
<th>Competency</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demonstrate Ethical and Professional Behavior</td>
<td>C1</td>
</tr>
<tr>
<td>Engage diversity and difference in practice</td>
<td>C2</td>
</tr>
<tr>
<td>Engage in practice-informed research and research-informed practice</td>
<td>C4</td>
</tr>
<tr>
<td>Engage with individuals, families, groups, organizations and communities</td>
<td>C6</td>
</tr>
<tr>
<td>Assess individuals, families, groups, organizations, and communities</td>
<td>C7</td>
</tr>
<tr>
<td>Intervene with individuals, families, groups, organizations and communities</td>
<td>C8</td>
</tr>
<tr>
<td>Evaluate individuals, families, groups, organizations, and communities</td>
<td>C9</td>
</tr>
</tbody>
</table>

IV.  BROWN SCHOOL ACADEMIC POLICIES

**Academic Integrity:** If a faculty member or student suspects that academic or professional integrity has been violated, they are required to submit an Academic Integrity or Professional Integrity Violation form found on Inside Brown for review by the Assistant Dean of the program. The Assistant Dean or designated representative will aid in the investigation of the violation, which includes but is not limited to gathering relevant evidence; conversations with the instructor, student(s) involved, witnesses, and others as necessary. Depending on the seriousness of the case, the Assistant Dean may choose to refer the matter directly to the University Student Conduct Board. This referral procedure will generally be followed if it is believed that the penalty is likely to involve suspension or expulsion from the University. The Assistant Dean for the program or designated representative will offer to meet privately with the student(s) against whom the complaint has been made. It is the student’s responsibility to familiarize themselves with the behaviors that constitute an academic integrity violation requiring referral.

[Student Handbook 2019](#)

**Accommodations:** If you have a learning, sensory, or physical disability or any other diagnosis that requires accommodations and/or assistance in lectures, reading, written assignments, and/or exam taking, please work with the [Disability Resource Center](#), a University-wide resource that provides academic accommodations support and referrals. After requesting academic accommodations by providing appropriate documentation, students approved for accommodations will provide an Accommodation Letter to the instructor and are encouraged to work directly with the instructor to discuss specific course needs. The student’s Academic Advisor and/or the Assistant Dean for Academic Affairs can support a student through this process.

**Pronouns:** The Brown School embraces and promotes gender expansiveness as reflective of the lived experiences of many students, staff, faculty and members of our expanded community. The correct use of an individual’s pronouns is a critical part of an individual’s identity and of building an inclusive community. Students, faculty and staff are encouraged to use pronouns during introductions, are expected to use expressed pronouns of all Brown School community members, and are encouraged to apologize when mistakes are made. Educational resources are available at: [https://campuslife.wustl.edu/lgbtqia/lgbt-resources/gender-pronouns/](https://campuslife.wustl.edu/lgbtqia/lgbt-resources/gender-pronouns/)
English Language Proficiency: If your English language proficiency is such that you may need special assistance in lectures, reading, written assignments, and/or exam taking, please communicate these needs to your instructor who may refer you to the Brown Communications Lab. If you would like help seeking additional English language resources, please visit the Global Programs Suite in Brown 309. You may also find the Academic Assistance resources available through the Office for International Students and Scholars to be helpful.

Professional Use of Electronic Devices in the Classroom: Computers or other electronic devices, including “smart pens” (devices with an embedded computer and digital audio recorder that records the classroom lecture/discussion and links that recording to the notes taken by the student), may be used by students at the discretion of the faculty member to support the learning activities in the classroom. These activities include taking notes and accessing course readings under discussion. If a student wishes to use a smart-pen or other electronic device to audio record lectures or class discussions, they must notify the instructor in advance of doing so. Permission to use recording devices is at the discretion of the instructor, unless this use is an accommodation approved by Disability Resources.

Nonacademic use of laptops and other devices and use of laptops or other devices for other coursework is distracting and seriously disrupts the learning process for other people in the classroom. Neither computers nor other electronic devices are to be used in the classroom during class for nonacademic reasons or for work on other coursework. Nonacademic use includes emailing, texting, social networking, playing games, instant messaging, and use of the Internet. Work on other coursework may include, but is not limited to, use of the Internet, writing papers, using statistical software, analyzing data, and working on quizzes or exams. The nonacademic use of cell phones during class time is prohibited, and they should be set on silent before class begins. In the case of an emergency, please step out of the room to take the call. The instructor has the right to hold students accountable for meeting these expectations, and failure to do so may result in a loss of participation or attendance points, a loss of the privilege of device use in the classroom, or being asked to leave the classroom.

Religious Holidays: The Brown School recognizes the individual student’s choice in observing religious holidays that occur during periods when classes are scheduled. Students are encouraged to arrange with their instructors to make up work missed as a result of religious observance, and instructors are asked to make every reasonable effort to accommodate such requests.

V. WASHINGTON UNIVERSITY ACADEMIC SUPPORT POLICIES

Accommodations based upon relationship or sexual violence, including sexual harassment and stalking: The University is committed to offering reasonable accommodations to students who are victims of relationship or sexual violence. Students are eligible for accommodations regardless of whether they seek criminal or disciplinary action. Depending on the specific nature of the allegation, such accommodations may include but are not limited to implementation of a no-contact order, emergency housing, course/classroom assignment changes, assignment extensions and other academic support services. If you need to request such accommodations, please direct your requests to rsvpcenter@wustl.edu or call directly to 314-935-3445.
There are four licensed RSVP counselors who serve as confidential resources. However, to implement requests for accommodations, limited information will be shared with the appropriate university administrator and/or faculty. The University will maintain as confidential any accommodations or protective measures provided to an individual student so long as it does not impair the ability to provide such measures.

If a student comes to me to discuss or disclose an instance of sexual assault, sex discrimination, sexual harassment, dating violence, domestic violence or stalking, or if I otherwise observe or become aware of such an allegation, I will keep the information as private as I can, but as a faculty member of Washington University, I am required to immediately report it to my Department Chair or Dean or directly to Ms. Jessica Kennedy, the University’s Title IX Director. If you would like to speak with directly Ms. Kennedy directly, she can be reached at (314) 935-3118, jw kennedy@wustl.edu, or by visiting the Title IX office in Umrath Hall. Additionally, you can report incidents or complaints to the Office of Student Conduct and Community Standards or by contacting WUPD at (314) 935-5555 or your local law enforcement agency. See: Title IX

You can also speak confidentially and learn more about available resources at the Relationship and Sexual Violence Prevention Center by calling (314) 935-3445 for an appointment or visiting the 4th floor of Seigle Hall. See: RSVP Center

Bias Reporting: The University has a process through which students, faculty, staff and community members who have experienced or witnessed incidents of bias, prejudice or discrimination against a student can report their experiences to the University’s Bias Report and Support System (BRSS) team. See: brss.wustl.edu.

Mental Health: Mental Health Services’ professional staff members work with students to resolve personal and interpersonal difficulties, many of which can affect the academic experience. These include conflicts with or worry about friends or family, concerns about eating or drinking patterns, and feelings of anxiety and depression. See Mental Health Resources.

Center for Diversity and Inclusion (CDI): The Center of Diversity and Inclusion (CDI) supports and advocates for undergraduate, graduate, and professional school students from underrepresented and/or marginalized populations, creates collaborative partnerships with campus and community partners, and promotes dialogue and social change. One of the CDI's strategic priorities is to cultivate and foster a supportive campus climate for students of all backgrounds, cultures and identities. See: diversityinclusion.wustl.edu/

Additional Issues or Concerns: If you feel that you need additional supports in order to be successful in your time at Brown, beyond the mentioned accommodations, please contact your Academic Advisor or Danielle Bristow, Assistant Dean for Academic Affairs. They can assist you in navigating a myriad of concerns.
VI. TEXT/REQUIRED READING


Readings are also available from the following books and articles in the Social Work Library:


VII. ORGANIZATION OF COURSE

The class will be conducted as a combination of lecture, problem presentation and discussion with an emphasis on student participation. Prior preparation is necessary to obtain maximum
benefit from these classes. Homework will be assigned each class period, to be submitted by the next class period. All exercises must be completed and submitted in class on the dates specified. Weekly assignments are posted on Canvas, under the calendar section. There is a mid-term and final exam.

VIII. ROLE OF FACULTY AND STUDENTS

It is very important to keep up with the work in the course as it goes along. Class attendance is expected. Any student having difficulty with the course or any part of the subject matter is expected to see the instructor promptly.

If for any reason a participant is having difficulty with the course work, please feel free to give me a call. I will be glad to provide coaching over the phone, or to meet before or after class to provide additional assistance to you to facilitate your understanding of the material.

Please do not wait until it is too late in the course to request assistance since thorough understanding of the material presented early in the course is essential for comprehending the material presented later in the course.

IX. ASSIGNMENTS AND GRADING CRITERIA

The student's course grade is based upon the completion of a mid-term (40%), a comprehensive problem (10%), paper, class presentations and participation (10%) and a final exam (40%). An incomplete may be given in rare situations. If given, it will be time limited. The work must be completed within the time limit or the letter grade of "F" will be recorded.

X. COMPETENCY ALIGNMENT TO ASSIGNMENTS AND COURSE ACTIVITIES

<table>
<thead>
<tr>
<th>Graded Assignments</th>
<th>Competency/ Competencies</th>
<th>Dimension/ Dimensions Measured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive Problem</td>
<td>C7, C9</td>
<td>Knowledge/Skills</td>
</tr>
<tr>
<td>Agency Paper</td>
<td>C4, C6, C7, C8, C9</td>
<td>Knowledge/Skills</td>
</tr>
<tr>
<td>Midterm Exam</td>
<td>C7, C9</td>
<td>Knowledge/Skills/Cognitive and Affective Processes</td>
</tr>
<tr>
<td>Final Exam</td>
<td>C7, C9</td>
<td>Knowledge/Skills/Cognitive and Affective Processes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Course Activities</th>
<th>Competency/ Competencies</th>
<th>Dimension/ Dimensions Measured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning Styles Inventory</td>
<td>C2</td>
<td>Knowledge/Cognitive and Affective Processes</td>
</tr>
<tr>
<td>Introductory Discussion on Ethics of Financial Management</td>
<td>C1, C6</td>
<td>Values/Knowledge</td>
</tr>
<tr>
<td>Harvard Business Case Study: Evaluate the Industries</td>
<td>C7, C9</td>
<td>Knowledge/Skills/Cognitive and Affective Processes</td>
</tr>
</tbody>
</table>
XI. COURSE OUTLINE

Class 1: -- Basic Accounting Principles
• Define accounting and related terms.
• Explain who uses accounting information and who cares about accounting.
• Define and describe the elements of accounting.
• State the accounting equation.
• Define a business transaction.
• Record business transactions in equation form.
• Identify four types of transactions that affect owner's equity.
• Prepare three basic financial statements.

Reading: Farris, Chapter 1 The Nuts and Bolts of Nonprofit Bookkeeping and Accounting RESERVE
Chapter 2 Starting with Basic Bookkeeping and Accounting RESERVE
Chapter 9 Staying in Nonprofit Compliance RESERVE
McLaughlin, Chapter 3 Accounting as a Second Language - a Nine-Point Program RESERVE
Assignment: Complete the learning style inventory assessment to identify the student’s learning style. Show the effects of transactions on the accounting equation. Make an Income Statement.

Class 2: -- Balance Sheets and Income Statements
• Identify how people learn in different ways.
• Explain the double-entry accounting framework.
• Describe the standard form of account.
• Describe the T account.
• Explain the rules of debit and credit as applied to asset, liability, and owner's equity accounts.
• Record business transactions in T accounts and prepare a trial balance.

Reading: Farris, Chapters 3 Introducing Financial Statements RESERVE
McLaughlin, Chapter 5 Balance Sheets: How They Get That Way RESERVE
Assignment: Prepare a Balance sheet. Record transactions in T-accounts and prepare a trial balance.

Class 3: -- The Basic Accounting Process
• Describe the standard form of a two-column journal.
• Record business transactions in a two-column journal.
• Prepare a chart of accounts.
• Post from a two-column journal to ledger accounts.
• Prepare a trial balance from a ledger after posting.
• Describe the four-column ledger account form.

Reading: Farris, Chapter 5 Setting up the Chart of Accounts for Nonprofits RESERVE
Chapter 6 Recording Transaction and Journal Entries RESERVE
Assignment: Journalize accounting entries, post them to the ledger and prepare financial statements.

Class 4: -- Journal Entries and Posting to the Ledger
- Define and use accounting terms: account, ledger, debit and credit.
- Apply the rules of debit and credit.
- Record transactions in the journal.
- Post from the journal to the ledger.
- Prepare and use a trial balance.
- Set up a chart of accounts for a nonprofit business.
- Analyze transactions without a journal.

Reading: Farris, Chapter 15 Analyzing the Statement of Activities RESERVE
Assignment: Prepare adjusting journal entries for expenses, for accrued expenses and for unearned and accrued revenues.

Class 5: -- Adjusting Entries
- Explain the need for adjusting entries.
- Make adjusting entries for supplies used, expired insurance, depreciation, and unpaid wages.
- Complete a work sheet for a service business.
- Prepare financial statements from a work sheet.
- Journalize adjusting entries.

Reading: McLaughlin, Chapter 1 Structure of Nonprofit Organizations RESERVE
Assignment: Complete a 10-column accounting worksheet.

Class 6: -- Closing Entries
- Explain the purpose of the closing process.
- Journalize and post closing entries.
- Prepare a post-closing trial balance.

Reading: Farris, Chapter 19 Closing the Nonprofit Books RESERVE
Assignment: Prepare closing journal entries.

Class 7: -- Assessing Financial Conditions, Financial Analysis
- Measure an organization’s cash flow using information contained in an organization’s reported financial statements.
- Calculate a comprehensive set of financial ratios.
- Use financial ratios to evaluate the financial health of an organization.
- Explain the limitations of ratio analysis.

Reading: Farris, Chapter 14 Doing the Accounting for Tax Form 990 RESERVE
Chapter 16 Reporting Financial Condition on a Statement of Financial Position RESERVE
McLaughlin, Chapter 6 Financial Analysis: A Few Analytical Tools RESERVE
Harvard Business Case Study: Evaluate the Industries
Assignment: Conduct financial ratio analysis on financial statements.

Class 8: **MID TERM EXAM 10/28/2019**

Class 9: **Nonprofit Accounting**
- Define different types of nonprofit organizations.
- Discuss the structure of nonprofit organizations.
- Describe how a nonprofit organization can lose tax-exempt status.
- Define profit and its uses.

Reading: *McLaughlin*, Chapter 18 Profit: Why and How Much? RESERVE
Assignment: Write a 7-8 page analysis paper on your practicum agency evaluating their financial statements using ratio analysis and two years of Form 990.

Class 10: **Nonprofit Budgeting: The Master Budget**
- Define budgeting and explain the difference between planning and control.
- Enumerate the principle advantages of budgeting.
- Diagram and explain the master budget interrelationships.
- Prepare a cash budget.
- Prepare a schedule of budgeted cash collections.
- Prepare a schedule of budgeted cash distributions.

Reading: *Farris*, Chapter 8 Balancing Cash Flow: Creating an Operating Budget RESERVE
*McLaughlin*, Chapter 13 Budgeting: Taming the Budget Beast RESERVE
Assignment: Prepare a cash budget, a schedule of expected cash collections and a schedule of expected cash payments.

Class 11: **Nonprofit Fund Accounting**
- Define nonprofit fund accounting.
- Distinguish between unrestricted, temporarily restricted and permanently restricted funds.
- Distinguish between a temporarily restricted fund restricted by time, program and future plant and acquisition.
- Record journal entries to record purchase of plant and equipment.
- Journalize one year’s depreciation on plant and equipment.

Reading: *McLaughlin*, Chapter 8 Nonprofit Accounting: Acknowledging the Strings Attached RESERVE
Assignment: Prepare nonprofit journal entries for unrestricted, temporarily restricted and permanently restricted funds.

Class 12: **Nonprofit Investment Accounting**
- Describe what is meant by the time value of money.
- Make the journal entry for the present value of an annuity pledge.
- Make the adjusting journal entry to adjust the present value of an annuity pledge.
• Determine the fair market value of an investment.
• Create the adjusting journal entry for a gain or a loss of an investment.
• Journalize the sale of an investment.
• Journalize interest income from an investment.

Reading: *McLaughlin*, Chapter 12 Capital: Not a Four-Letter Word **RESERVE**  
Chapter 19 To Raise More Money, Think Cows **RESERVE**  
Assignment: Prepare nonprofit journal entries for capital assets and for annuity pledges.

Class 13: -- Variances, Values and Ethics in Nonprofit Accounting  
• Analyze completed budgets as to their effectiveness.
• Determine underapplied or overapplied variances.
• Discuss how incorrect accounting methods can lead to theft and graft.
• Enumerate ways in which programs would be hurt by poor accounting methods.
• Describe how to monitor the accounting system.

Reading: *McLaughlin*, Chapter 2 Mission: Managing Your Two Bottom Lines **RESERVE**  
Chapter 22 Internal Controls for External Goals **RESERVE**  
Chapter 24 Management Controls: Toward Accountability for Performance **RESERVE**  
Assignment: Prepare nonprofit journal entries for unrestricted, temporarily restricted and permanently restricted investments.

Class 14: -- Nonprofit Auditing: Choosing and Using an Auditor  
• Describe the role of the auditor.
• Explain the significance of proper management controls.
• Describe how learning fundamental budgeting and accounting principles fosters a commitment to the profession.
• Discuss the overall nonprofit accounting system and how it is maintained-A-133 audit.

Reading: *Farris*, Chapter 20 Preparing for an Accounting Audit **RESERVE**  
*McLaughlin*, Chapter 10 Auditing: Choosing and Using an Auditor **RESERVE**  
Assignment: Prepare for Final Exam.

Class 15: -- **FINAL EXAM 12/16/2019**