

**The Trachtenberg School of Public Policy and Public Administration**  
**Fall 2017**

<b>COURSE TITLE</b>	Financial Management for Public, Non-Profit, and Health Organizations
<b>COURSE NUMBER</b>	PPPA 6053
<b>TIME</b>	Wednesday, 6:10-8:00 PM
<b>LOCATION</b>	Rome B104
<b>PROFESSOR</b>	Melissa Neuman (202) 746-3561 (c) <a href="mailto:mkneuman@gwu.edu">mkneuman@gwu.edu</a>
<b>OFFICE HOURS</b>	Schedule an appointment at <a href="https://mkneuman.youcanbook.me">https://mkneuman.youcanbook.me</a>

**COURSE DESCRIPTION**

The primary objective of this class is to provide a foundation in financial management to allow students to understand and use financial information to make decisions in public and non-profit organizations. The course provides the skills and vocabulary to use financial information rather than to generate that information. The secondary objective is to familiarize students with spreadsheet applications and financial calculations through the weekly assignments.

The first half of the course focuses on the development of operating budgets, tools for capital budget decisions, and an introduction to accounting principles. The second half of the course focuses on practices related to financial statements, financial analysis, and the unique aspects of accounting for public and not-for-profit organizations. We will consider how the information is presented, and how it can be used to provide meaningful conclusions about the financial position and performance of a public service organization. At the end of this section, you should be able to use an organization's financial statements to communicate about the fiscal health of the organization.

**REQUIRED TEXTBOOK**

Steven Finkler, *Financial Management for Public, Health, and Not-For-Profit Organizations*, 4th Edition, Prentice Hall, 2013.

**SUPPLEMENTAL RESOURCES**

- [www.guidestar.org](http://www.guidestar.org) – Details for registration will be provided the first day of class
- Additional readings or other media will be provided in advance of discussion

**EXCEL (OR OTHER SPREADSHEET APPLICATION)**

For homework and practice problems, you will need access to a spreadsheet program.

**COURSE WEBSITE**

The course website can be found on Blackboard. Throughout the semester, I will post course materials, lecture slides, homework templates and solutions, and student grades. I may also communicate with you directly concerning course logistics using the Blackboard e-mail lists, and

we will use the Discussion Board to ask and answer questions about assignments. Please check to be sure that you are listed as a registrant, and be sure to check your e-mail regularly.

### **STUDENT LEARNING OBJECTIVES**

Through course discussions, readings and assignments, students will develop knowledge and skills to enable them to:

1. Create operating and cash budgets;
2. Conduct break-even analyses, variance analyses, and allocate costs;
3. Perform time-value of money calculations;
4. Construct and interpret balance sheets, activity statements, and cash flow statements; and
5. Conduct financial condition analysis and develop recommendations.

### **METHOD OF INSTRUCTION**

Material will be presented in lecture and discussion format with active participation in case study analysis. Concepts in financial management are explored by class participation in both in-class and written exercises.

**Note:** Attendance is required for successful completion of this course. Please notify me if you will be absent.

### **COURSE REQUIREMENTS**

Students are expected to attend weekly class sessions, actively participate in class discussions, and complete practice problems and assignments. Please note that if you are absent or late for class, it is your responsibility to learn about announcements, obtain class notes, and hand in assignments.

Students are required to complete written assignments, other homework problems, and examinations **on time**. Except in rare occasions when arrangements are made in advance, work must be completed and handed in by the start of class to receive credit.

### **GRADING**

There are 100 points total available, of which:

Homework Assignments	20%
Writing Assignments	20%
Class Participation	10%
Midterm Exam	25%
Financial Statement Analysis	20%
Presentation	5%

### **HOMEWORK ASSIGNMENTS**

There are a total of 5 assignments for a total of 20 percent of your grade.

Paper submissions of assignments are due at the beginning of class in the week they are listed on the syllabus. At the beginning of each class, we may spend a few minutes going over the assignments. You may want to bring an additional hardcopy or electronic file of your work so that you can review it in class.

Assignments must be typed and stapled. Handwritten assignments will not receive credit. You must complete the quantitative parts of the assignment in Excel and written parts in either Excel or Word (or similar programs). Excel templates will be provided for some assignments.

Each student must write and submit his or her own assignment. Grades will be based on completion of all elements of the assignment and not on correctness.

### **WRITING ASSIGNMENTS**

There are 4 short writing assignments for a total of 20 percent of your grade. Assignments are due at the beginning of class and should be no longer than two pages include relevant charts/graphs. Memos are designed to apply information from the textbook to a real-world situation and properly communicate it to decision-makers. Memos will be evaluated on analytic substance, synthesis and argument, and style.

### **CLASS PARTICIPATION**

In addition to participating in robust in-class discussion on reading materials and homework assignments, students are required to identify and post six periodic articles (from a newspaper or magazine) on Blackboard under the Discussions forum for that week that concern budgeting, accounting, and/or finance for the public and/or nonprofit sectors. Students may choose which six distinct weeks to which they will contribute a news article for class discussion. Articles must be posted by 6:00 PM on Sundays before class meetings on Wednesdays. All students should check the Discussion, read the periodicals posted, and contribute to the online forum before class on Wednesday evening.

### **TENTATIVE LAB SCHEDULE**

August 30	Excel Review and Structuring more complicated flexible budgets
September 6	Break Even Analysis, Cost Allocation, and Variance Analysis
September 13	Time Value of Money
October 11	Recording Financial Transactions
November 1	Financial Statement Analysis
November 8	Financial Condition Analysis

### **STUDENT COMMITMENT**

In a 15-week semester, students should expect to devote about 7.5 hours per week to this class. This total includes a 110-minute class session each week, as well as an average of 5.5 hours of out-of-class time spent on required readings, practice problems, homework and writing assignments, contributing to the online discussion forum, and the final project and presentation. Some weeks may have more extensive time requirements than others.

## **COURSE OUTLINE**

Reading assignments must be completed before each lecture. You are not required to read the chapter appendices with the exception of **12-A** and **16-A**, as noted below, but you are encouraged to do so in order to gain a deeper understanding of the subject matter.

Homework assignments consist primarily of analytical problems based on the previous week's readings and lecture, but also include some short answer questions.

Practice problems are designed to help you prepare for the homework assignments. The problems are listed below. Most problems are from the textbook but in a few cases they are from handouts posted on the website under Practice Problems. There are Excel templates on Blackboard for the exercises that are **BOLD**. Solutions will be reviewed in class.

All page numbers are for the 4th edition textbook.

### **AUGUST 30: INTRODUCTION; OPERATING, CAPITAL, & CASH BUDGETS**

Read before class: Chapter 1, Chapter 2

Practice problems: 2-17, 2-19, **2-28**

### **SEPTEMBER 6: ADDITIONAL BUDGETING CONCEPTS & UNDERSTANDING COSTS**

Read before class: Chapter 3, Chapter 4

Practice problems: **3-23**, 4-48, **4-53**

#### **Assignment due:**

Homework #1. 2-34 Marquoya College Parts 1 and 2

### **SEPTEMBER 13: CAPITAL BUDGETING & LONG-TERM FINANCING**

Read before class: Chapter 5, Chapter 6

Practice problems: 5-11, 5-14, 5-15, 5-16, 5-27, 5-35, 5-36, 6-13, 6-14

#### **Assignment due:**

Memo #1. Choose a government entity, locate either its enacted budget documents for FY 2017 or its proposed budget documents for FY 2018, and write a one-page memo identifying your initial observations. Focus your summary on how the document conveys the priorities of the government and the anticipated changes from the previous year. Identify any concerns you may have about the proposed spending and revenue plan.

### **SEPTEMBER 20: ETHICS IN FINANCIAL MANAGEMENT**

#### **NO CLASS MEETING THIS WEEK**

Read: Chapter 8 (p. 283-end)

Podcast: NPR's *Planet Money*, [Episode 363: "Why People Do Bad Things"](#)

#### **Assignment due via email:**

Memo #2. Locate a professional code of ethics that may apply to you in your future career. (If you cannot find one, use the Association of Government Accountants' [here](#).) Describe the main tenets. Why do you think it is important that a profession has a code of ethics? What are additional sources of ethical consideration and guidelines?

**SEPTEMBER 27: LONG-TERM FINANCING**

Read before class: Chapter 6, continued

**Assignments due:**

Homework #2. 5-33 Millbridge Pension, 5-39 River County, 6-18 New University

Memo #3. Choose a capital budget plan from a local government entity and write a short, one-page memo identifying the major components of the capital plan, its timeline, and funding mechanisms. Identify any concerns you may have about the proposed plan.

**OCTOBER 4: SHORT-TERM RESOURCES & ACCOUNTABILITY AND CONTROL**

Read before class: Chapter 7, Chapter 8 (through p. 283)

Practice problems: **8-29, 8-30**

**Assignment due:**

Homework #3. 8-26 Justice Township

**Take-home midterm will be provided at the end of class**

**OCTOBER 11: BALANCE SHEET, ACTIVITY STATEMENT, AND CASH FLOW STATEMENT**

Read before class: Chapter 10, Chapter 11

Practice problems: 10-23, 10-24, 10-25, 11-14, 11-15, **11-16**

**Take-home midterm exam due**

**OCTOBER 18: ACCOUNTING FOR NOT-FOR-PROFIT ORGANIZATIONS**

Read before class: Chapter 12 (to page 426), Appendix 12-A

Practice problems: 12-15, 12-16, 12-17, 12-18

**Assignment due:**

Homework #4. One World Not Three: Balance sheet, activity statement, and cash flow statement. [NOTE: This homework assignment is a significant time commitment and challenge. Please allow yourself ample time for completion.]

**OCTOBER 25: ACCOUNTING FOR STATE AND LOCAL GOVERNMENTS**

Read before class: Chapter 13 and Chapter 14

Practice problems: 13-4, 13-5

**Assignment due:**

Homework #5. 14-8

**NOVEMBER 1: FINANCIAL STATEMENT ANALYSIS**

Read before class: Chapter 15

Practice problem: 15-10

**Assignment due:**

Memo #4. Complete 15-11 with a written memo of findings.

In addition, provide a brief statement identifying the organization for your financial statement and condition analysis.

**NOVEMBER 8: FINANCIAL CONDITION ANALYSIS**

Read before class: Chapter 16, Appendix 16-A

Practice problem: 16-10

**NOVEMBER 15: FINANCIAL STATEMENT AND CONDITION ANALYSIS, continued**

Read before class: Case studies will be distributed before class.

**NOVEMBER 22: NO CLASS – THANKSGIVING BREAK**

**NOVEMBER 29: PRESENTATION OF FINANCIAL STATEMENT ANALYSIS PROJECTS**

Sign-up times will be posted on Blackboard.

**DECEMBER 6: PRESENTATION OF FINANCIAL STATEMENT ANALYSIS PROJECTS**

Sign-up times will be posted on Blackboard.

**DECEMBER 13: FINANCIAL STATEMENT ANALYSIS PROJECT DUE BY MIDNIGHT**

**NOTE:** In accordance with university policy, the final project will be due during the final exam period and not the last week of the semester. For details and complete policy, see:

<http://provost.gwu.edu/administration-final-examiners-during-exam-period>

## **University policies**

1. University policy on observance of religious holidays. In accordance with University policy, students should notify faculty during the first week of the semester of their intention to be absent from class on their day(s) of religious observance. For details and policy, see:

<http://students.gwu.edu/accommodations-religious-holidays>

2. Academic integrity code. Academic dishonesty is defined as cheating of any kind, including misrepresenting one's own work, taking credit for the work of others without crediting them and without appropriate authorization, and the fabrication of information. For details and complete code, see: [studentconduct.gwu.edu/code-academic-integrity](http://studentconduct.gwu.edu/code-academic-integrity)

3. Safety and security. In the case of an emergency, if at all possible, the class should shelter in place. If the building that the class is in is affected, follow the evacuation procedures for the building. After evacuation, seek shelter at a predetermined rendezvous location.

## **Support for students outside the classroom**

4. Disability Support Services (DSS). Any student who may need an accommodation based on the potential impact of a disability should contact the Disability Support Services office at 202-994-8250 in the Rome Hall, Suite 102, to establish eligibility and to coordinate reasonable accommodations. For additional information see: [disabilitysupport.gwu.edu/](http://disabilitysupport.gwu.edu/)

5. Mental Health Services (202-994-5300). The University's Mental Health Services offers 24/7 assistance and referral to address students' personal, social, career, and study skills problems. Services for students include: crisis and emergency mental health consultations confidential assessment, counseling services (individual and small group), and referrals. For additional information see: [counselingcenter.gwu.edu/](http://counselingcenter.gwu.edu/)

## **Policies in The Trachtenberg School Courses**

1. Incompletes: A student must consult with the instructor to obtain a grade of I (incomplete) no later than the last day of classes in a semester. At that time, the student and instructor will both sign the CCAS contract for incompletes and submit a copy to the School Director. Please consult the TSPPPA Student Handbook or visit our website for the complete CCAS policy on incompletes.
2. Submission of Written Work Products Outside of the Classroom: It is the responsibility of the student to ensure that an instructor receives each written assignment. Students can submit written work electronically only with the express permission of the instructor.
3. Submission of Written Work Products after Due Date: Policy on Late Work: All work must be turned in by the assigned due date in order to receive full credit for that assignment, unless an exception is expressly made by the instructor.
4. Academic Honesty: Please consult the “policies” section of the GW student handbook for the university code of academic integrity. Note especially the definition of plagiarism: “intentionally representing the words, ideas, or sequence of ideas of another as one’s own in any academic exercise; failure to attribute any of the following: quotations, paraphrases, or borrowed information.” All examinations, papers, and other graded work products and assignments are to be completed in conformance with the George Washington University Code of Academic Integrity.
5. Changing Grades After Completion of Course: No changes can be made in grades after the conclusion of the semester, other than in cases of clerical error.
6. The Syllabus: This syllabus is a guide to the course for the student. Sound educational practice requires flexibility and the instructor may therefore, at her/his discretion, change content and requirements during the semester.
7. Accommodation for Students with Disabilities: In order to receive accommodations on the basis of disability, a student must give notice and provide proper documentation to the Office of Disability Support Services, Marvin Center 436, 202-994-8250. Accommodations will be made based upon the recommendations of the DSS Office.

Higher education works best when it becomes a vigorous and lively marketplace of ideas in which all points of view are heard. Free expression in the classroom is an integral part of this process. At the same time, higher education works best when all of us approach the enterprise with empathy and respect for others, irrespective of their ideology, political views, or identity.

We value civility because that is the kind of community we want, and we care for it because civility permits intellectual exploration and growth.

**Respect for Diversity**: It is my intent that students from all backgrounds and perspectives be well-served by this course, that students' learning needs be addressed both in and out of class, and that the diversity that students bring to this class be viewed as a resource, strength, and benefit. I strive to create an inclusive classroom and present materials and activities that are respectful of diversity including gender, sexuality, disability, age, socioeconomic status, ethnicity, race, culture, and political affiliation. Your suggestions are encouraged and appreciated.