**PPDE 645: Financial Management of Nonprofit Organizations**

**4 units**

Fall 2017 Wednesday 6-9:20pm

Professor: Sona Chandwani

VKC 208

Work Phone: TBD

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Office Hours: Before or After Class or by appointment

**Course Overview and Objectives**

 Accounting and financial management principles and practices in nonprofit organizations: budgeting financial analysis, internal controls, financial policies, grant making and financial reporting.

**Introduction**

This course is designed to provide students with an understanding of financial management as it relates to nonprofit organizations. This includes understanding the structure and accountability as well as financial reporting and budgeting.

This course will provide a:

 Familiarity with basic budgeting techniques, as well as some exposure to management practices involving cash, debt, and investments; analyze financial statement, budgets and reports;

 discuss current policy and legislative issues pertaining to grant making, fundraising, internal and external reporting and managerial and board accountability;

 assess the fiscal health of a nonprofit organization, evaluate the source and use of funds, the effectiveness of policies ensuring financial accountability and transparency;

 evaluate the fiscal health of nonprofit organizations;

 appreciate the difficulties faced by nonprofit organizations in raising and effectively using donations, gifts and service revenues;

 apply the tools and techniques from this course in assessing the financial performance of nonprofit organizations.

**Course Requirements**

* Required reading: Students are expected to do all required readings prior to class and be prepared to discuss them.
* Effectively participate in the seminar discussions and class activities; Just showing up to class does not equate to participation.
* Homework: Throughout the semester there will be various homework assignments. It will be graded based on the following:
	+ For making a good faith effort to complete it correctly
	+ Turned in on-time (posting toBlackboard by 11:59pm on the day it is due)

**Basis for Grades**

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| Class participation |  15% |
| Homework/Case Studies |  45% |
| Final project |  40% |
| Total | 100%  |

**Class Participation (15%):** Your participation in class is essential to your success in this course. We will use issues and problems from your current events and settings work settings to apply what you are learning in the class. *Please come to class prepared to discuss homework/cases, current events relating to nonprofit fiscal or governance issues. Reading the newsletters from Nonprofit Quarterly, Chronicle of Philanthropy and/or local news outlets will be a good source.*

**Homework /Case Studies (45%):** Over the course of the semester there will be homework assignments/case studies. Cases will be discussed in class and grading will include participation in case study discussions. Information will be posted on Blackboard.

**Final Exam (40%):** The final exam will be project where you will analyze the financial position of a non-profit of your choice. Details of this assignment will be made available during the semester.

# Text/Required Reading

Woods Bowman, PhD, Finance Fundamentals for Nonprofits, Publisher: Wiley 2011 (to be purchased through Amazon or other retailer)

Case Coursepack – link to coursepack also posted in announcements on Blackboard.

<http://cb.hbsp.harvard.edu/cbmp/access/66063123>

Articles posted to Blackboard (If articles are added during the course, they will be added by Saturday end of day for discussion during class that Wednesday)

The Nonprofit Quarterly <http://www.nonprofitquarterly.org/> - please subscribe to the newswire stay current on current issues.

**Statement on Academic Conduct and Support Systems**

**Academic Conduct**

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences.  Please familiarize yourself with the discussion of plagiarism in *SCampus* in Section 11, *Behavior Violating University Standards*<https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/>.  Other forms of academic dishonesty are equally unacceptable.  See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct/>.

Discrimination, sexual assault, and harassment are not tolerated by the university.  You are encouraged to report any incidents to the *Office of Equity and Diversity* <http://equity.usc.edu/> or to the *Department of Public Safety* <http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us>.  This is important for the safety whole USC community.  Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person.  *The Center for Women and Men* <http://www.usc.edu/student-affairs/cwm/> provides 24/7 confidential support, and the sexual assault resource center webpage sarc@usc.edu describes reporting options and other resources.

## Support Systems

A number of USC’s schools provide support for students who need help with scholarly writing.  Check with your advisor or program staff to find out more.  Students whose primary language is not English should check with the *American Language Institute* <http://dornsife.usc.edu/ali>, which sponsors courses and workshops specifically for international graduate students.  *The Office of Disability Services and Programs* <http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html>provides certification for students with disabilities and helps arrange the relevant accommodations.  If an officially  declared emergency makes travel to campus infeasible, *USC Emergency Information* [*http://emergency.usc.edu/*](http://emergency.usc.edu/)will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

**Course Schedule and Assignments**

**Reading references are from the textbook – other readings are posted on blackboard.**

**Assignments will be reflected on blackboard. Schedule below may change.**

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| **Date** | **Topic****Additional readings posted on Blackboard** |
| Week 1 (Aug 23) | Introduction to the course and the nonprofit sector |
| Week 2 (Aug 30) | Nonprofit Organization Structure (Board, Bylaws, and Governance)Bowman, Chapter 1 |
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| Week 3 (Sept 6) | Introductory Accounting Concepts/Financial StatementsBowman, Chapter 2Read Jane Addams Case and questions.– Case will be discussed In Class 9/12 |
| Week 4 (Sept 13) | Nonprofit Financial Statements Coursepack Accounting Note (Ignore Case Studies)*Homework assigned* |
| Week 5 (Sept 20) | Budgeting Bowman, Chapter 4Kalamzoo Case – In Class |
| Week 6 &7 (Sept27 Oct 4) | Budgeting *Homework assigned* |
| Week 8 (Oct 11) | Government Grants*Guest Speaker**Homework assigned* |
| Week 9 (Oct 18) | Internal Controls and Financial Policies |
| Week 10 (Oct 25) | *Guest Speaker**Discuss Final Project* |
| Week 11 (Nov 31) | Fundraising and other sources of revenue*Vehicles for Change Case – In Class*Bowman, Chapter 10 |
| Week 12 (Nov 8) | Financial Statement Analysis and RatiosBenchmarking and Watchdog agenciesBowman, Chapter 6*Homework* |
| Week 13 (Nov 15) | *Guest Speaker*The IRS Form 1023 Form 990 and other IRS issuesBowman Chapter 5 |
| Week 14 (Nov 22) | Cash Reserves, investments and endowmentsBowman Chapters 3,8 |
| Week 15 (Nov 29) | Conclusion – In Class PresentationBowman Chapter 11 |
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