Price School of Policy, Planning, and Development
University of Southern California

PPDE 645: Financial Management of Nonprofit Organizations
Fall 2018
4 Units

Time/Day: Wednesdays 6:00pm - 9:20pm
Dates: August 22 – December 12

Professor: Dr. Linda Sanner
Room: VKC 160

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Office Hours: After class or by appointment

Course Description
Financial management is about telling the financial story of the nonprofit organization. In this course you will learn how to tell that story. We will start with the public facing story told through the annual report, financial statements, and 990 nonprofit returns. To understand how these documents are created, we will learn some basics about nonprofit accounting, the chart of accounts, and internal controls. The story continues with the financial management of funding sources: government contracts, private and foundation grants, fundraising, and revenue generating delivery of services. We will discuss the importance of establishing relationships with bankers and investment advisors. Pulling all the pieces together, we will talk about budgeting, audits, and presenting the total story in a simplified financial dashboard.

Learning Objectives
The overall learning objective of this course is to learn about the accounting and financial management principles and practices in nonprofit organizations including budgeting, financial analysis, internal controls, financial policies, funding sources, and financial reporting.

Students will learn:
- To tell the public facing story of a nonprofit organization through the annual report, financial statements, and 990 nonprofit returns.
- High-level basics about nonprofit accounting, the chart of accounts, and internal controls.
- Financial management of funding sources, including government contracts, private and foundation grants, fundraising, and delivery of services
- About establishing banking and financial advisor relationships and services for nonprofits.
- The budgeting process
- About financial audits, program audits, agreed upon procedures audits, board audit committees, and OMB A-133
- How to present the financial story through simplified dashboards

Recommended Preparation
Before the first class, students should select one nonprofit to focus on through the entire course. It will be helpful to have access to that organization's annual report, public financial statements, 990 tax return (available on GuideStar.com), and chart of accounts. Students will use these and other documents to create weekly Powerpoint presentations that will be turned into Blackboard and may be presented in class.

Nonprofit leaders need to be able to tell the financial story of their organization to potential donors, board members, funding sources, and myriad stakeholders. The final exam will be an in-class oral presentation telling the financial story of their chosen nonprofit, as learned each week in this course.

Course Requirements

- Course readings: all required reading or video links will be posted on Blackboard. No purchase of books is necessary. Suggested readings are optional but will be helpful in completing weekly homework assignments.

- Effectively participate in weekly discussions and class activities; just showing up to class does not equate to participation.

- Homework: Each week students will create a Powerpoint presentation. All presentations will be turned into Blackboard. Time permitting, presentations may be presented in class weekly. Homework will be graded based on:
  - Making a good faith effort to complete it correctly by incorporating all of the required elements;
  - Turning in on-time (posting to Blackboard by 11:59pm on the day it is due)
- Final exam project: a 15-20 minute oral presentation telling the financial story of the chosen nonprofit organization.

Grading

Class participation (16 classes @ 6.25 pts = 100 pts)	10%
Homework (14 assmts @ 40 pts each = 560 pts)	56%
Final project (340 pts)	34%
Total	100%

A = 930+ points
A- = 900-920 points
B+ = 880-890 points
B = 830-870 points
B- = 800-820 points
C+ = 780-790 points
C = 730-770 points
C- = 720 points or fewer

Class Participation (10% - 100 points): Student participation in class is essential to success in this course. Each week, Dr. Sanner will give a presentation on the topic of the weeks. Most weeks we will have a guest speaker who is a subject matter expert about the topic. Students are expected to use issues and problems from current events and work settings to participate in class

discussions and ask questions of Dr. Sanner and the guest speakers. Time permitting, homework Powerpoints may be orally presented in class. These oral presentations will count toward class participation.

Homework (56% - 14 homework assignments @ 40 points each = 560 points total): Homework assignments will be due each week. Before the first class, students should select one nonprofit to focus on through the entire course. Each week, students will create a 5-minute Powerpoint presentation incorporating each of the requirements for the week. Student will post their presentations on Blackboard by 11:59pm the following Wednesday. Time permitting, students may also have the opportunity to orally present their homework presentations in class. 10% will be deducted each day an assignment is posted late.

Final Exam (34% - 340 points): The final exam will be a culmination of the weekly homework assignments. The final exam will be a Powerpoint presentation and oral presentation to the class. Final oral presentations will be delivered the last two Wednesdays – weeks 15 and 16. Each student will have 15-20 minutes to tell the financial story of the nonprofit organization that they have been learning about through the whole semester. All students must be present for the last 2 classes, regardless whether they already delivered their oral presentation to the class. Each student deserves an audience. Detailed requirements of the final exam will be made available during the semester.

Course Schedule

Week 1 August 22:	The Annual Report – Telling the nonprofit's story to the public (Guest Speaker: Penny Railey)
Week 2 August 29:	Nonprofit Financial Statements – Understanding the financial story (Guest Speaker: Karen Miessner)
Week 3 September 5:	990 Nonprofit Tax Returns – Public reporting on Guidestar
Week 4 September 12:	Nonprofit Accounting – The role of the accounting department (Guest Speaker: Karen Miessner)
Week 5 September 19:	Chart of Accounts - The foundation for more than you think
Week 6 September 26:	Nonprofit Internal Controls – Checks and balances for financial integrity (Guest Speaker from Green Hasson Janks)
Week 7 October 3:	Government Contracts – Government funding for doing good (Guest Speaker from the Department of Mental Health)
Week 8 October 10:	Private and Foundation Grants – Funding nonprofits to achieve their mission
Week 9 October 17:	Fundraising – Revenue fueled by peoples' passion
Week 10 October 24:	Productivity / Service Delivery – Providing services and driving revenue
Week 11 October 31:	Banking and Investments – Establishing relationships with bankers and investment advisors (Guest Speaker: Kim Defenderfer)
Week 12 November 7:	Budgeting – Forecasting the future (Guest Speaker: Gayle Whittamore)
Week 13 November 14:	Audits – Financial, program, agreed upon procedures (Guest Speaker from Green Hasson Janks)
Week 14 November 28:	Financial Dashboards – Simplifying the financial story for board members and internal stakeholders
Week 15 December 5:	Final Presentations
Week 16 December 12:	Final Presentations

Statement for Students with Disabilities
Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to TA) as early in the semester as possible. DSP is located in Grace Ford Salvatori Hall, 120 at 3601 Watt Way and is open 8:30 am-5:00 pm, Monday through Friday. Website and contact information for DSP: http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html, (213) 7400776 (Phone), (213) 814-4618 (Video Phone), (213) 740-8216 (FAX) ability@usc.edu

Statement on Academic Integrity
USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one's own academic work from misuse by others as well as to avoid using another's work as one's own. All students are expected to understand and abide by these principles. SCampus, the Student Guidebook, (www.use.edu/scampus or http://scampus.usc.edu) contains the University Student Conduct Code (see University Governance, Section 11.00), while the recommended sanctions are located in Appendix A.

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: http://www.usc.edu/student-affairs/SJACS/. Information on intellectual property at USC is available at: http://usc.edu/academe/acsen/issues/ipr/index.html.

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/*will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

Emergency Preparedness/Course Continuity in a Crisis
In the case of a declared emergency if travel to campus is not feasible, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Blackboard, teleconferencing, and other technologies.

Please activate your course in Blackboard with access to the course syllabus. Whether or not you use Blackboard regularly, these preparations will be crucial in an emergency. USC's Blackboard learning management system and support information is available at blackboard.usc.edu.