

Nonprofit Financial Management
Department of Public and International Affairs
MPA 537, Section 001

Instructor: Dr. Christopher Prentice
Email: prenticecr@uncw.edu
Office: Leutze Hall 255B
Office Hours: By appointment

Description: This course provides nonprofit managers with the language and key concepts of nonprofit financial management. The focus is on planning and financial decision making in nonprofit organizations. Topics include budgeting, financial policies and internal controls, financial statement preparation and analysis, cash flow management, short- and long-term financing, investment strategies, and financial reporting and accountability.

Prerequisites: None

Required Books:

Wiekert, L. A., Chen, G. G., and Sermier, E. (2013). *Budgeting and Financial Management for Nonprofit Organizations*. Thousand Oaks, CA: Sage.

McLaughlin, T. A. (2016). *Streetsmart: Financial Basics for Nonprofit Managers, 4th Ed.* Hoboken, NJ: Wiley.

Additional readings and assignments may be posted to Blackboard, accessed by going to learn.uncw.edu and selecting the appropriate course number.

Learning Objectives

By the end of the course, students will:

- Gain an understanding of the sources of nonprofit revenue, including the relative risk/reward associated with each source
- Gain an understanding of Federal, State, and Local government regulation of nonprofits as it pertains to nonprofit finance and financial management
- Gain an understanding of ethical practices in financial management and potential areas for conflict of interest
- Learn various financial metrics and how to use them to make decisions
- Learn how to evaluate investment options
- Learn how to prepare, analyze, and justify a budget
- Learn how to assess financial performance (e.g., ROI analysis, benchmarking,...)
- Gain an understanding of organizational issues that affect financial performance
- Learn how to calculate donor value and segment for growth
- Learn how to prepare financial statements
- Learn how to allocate costs

- Learn how to complete Form 990
- Gain an understanding of key components of nonprofit financial management

Course Requirements

Class Participation: Class sessions and assignments are designed to encourage collaborative learning. The instructor will not attempt to transfer information to the students through lecture and one-way communication. Rather, students and instructor alike will do their part to mutually engage the material to create and share knowledge. This requires that students are present, prepared, and engaged. Your participation grade is determined upon two factors:

- **Attendance:** Students are expected to attend all classes. Only a reasonable number of excused absences will be accepted. Unexcused absences will result in a reduction in the student's grade.
- **Participation:** Students are expected to come to class prepared to participate, which requires having carefully read and considered the readings. The quality, not the quantity, of your interactions is evaluated.

Financial Statement Preparation: Prepare the three core financial statements (Operating, Balance, and Cash Flow) from a general ledger.

Financial Statement Analysis: Complete a financial statements analysis, using audited financial statements from your nonprofit partner.

Group Project: Work with a local nonprofit organization to identify areas of financial risk and opportunities for improvement. Create a report to include the organization's financial priorities, the group's analysis of the organization's finances, financial procedures, internal controls, etc., and recommendations for improvement. Present that report to the class and the nonprofit board.

Final Exam: The final exam will gauge your understanding of the nonprofit finance and financial management concepts learned throughout the semester.

Basis for Grade: The following table summarizes the value of each component as a percent of the final grade.

Assignment	Value
Participation	10%
Financial Statement Preparation	15%
Financial Statement Analysis	20%
Group Project	30%
Final Exam	25%
Total	100%

Course Policies

Academic Assistance: The University Learning Center (ULC) provides free services to all UNCW students. Those services include: learning services, math services, study sessions, supplemental instruction, and writing services. For more information refer to their website: www.uncw.edu/ulc

Students with Disabilities: Reasonable accommodations will be made for students with disabilities. Students with diagnosed disabilities should register with UNCW Disability Resource Center. Please provide me a copy of the letter you receive from Disability Resource Center detailing class accommodations you may need before the end of Week 1. For more information refer to their website: www.uncw.edu/disability

Academic Integrity: All members of UNCW's community are expected to follow the academic Honor Code. Academic dishonesty in any form will not be tolerated in this class. All academic integrity violations will result in a failing grade for the course and will be reported to the University. Please read the UNCW Honor Code carefully (as covered in the UNCW Student Handbook): www.uncw.edu/odos/honorcode. Please be familiar with UNCW's position on plagiarism as outlined in the UNCW Student Handbook. Plagiarism is a form of academic dishonesty in which you take someone else's ideas and represent them as your own. Please note it is also possible to plagiarize yourself. If you use your work from a previous class or assignment in this class without proper citation, it is plagiarism (i.e., using the same paper, or substantial portions of the same paper, for two classes or assignments is not acceptable). It is always best to speak to the instructor prior to submitting a paper if there is a question regarding academic integrity.

Violence and Harassment: UNCW practices a zero tolerance policy for any kind of violent or harassing behavior. If you are experiencing an emergency of this type contact the police at 911 or UNCW CARE at 910-962-2273. Resources for individuals concerned with a violent or harassing situation can be located at www.uncw.edu/wsrc/crisis.html

Campus Respect Compact: UNCW has instituted a Seahawk Respect Compact to affirm our commitment to a civil community characterized by mutual respect. All students are expected to uphold these standards in the classroom and beyond. Please read the Compact: www.uncw.edu/diversity/documents/ApprovedSeahawkRespectCompact8x10.08.09.pdf

Submission of Assignments: All written assignments must be submitted electronically in a .docx format to Blackboard. All assignments must be in Times New Roman or Cambria 12-pt font, with 1-inch margins or points will be deducted.

Late Assignments: Assignments not in the instructor's possession by the specified time on the due date are immediately subject to a ten point deduction. Each subsequent day (i.e., calendar day – including weekends and holidays) an assignment is late will be an additional deduction of ten points. If you are aware of possible conflicts before they occur, please notify the instructor at least one week in advance of any due dates to arrange alternate accommodations. Informing the instructor of your intention to be absent does not waive your obligation to submit the work that is due, even where an excused absence is granted.

Grading Policy: The following percentages represent the letter grade equivalent. Please note that percentages do not round up (i.e., 89.99% is a B+ and does not round up to 90%).

A	93 – 100%	B-	80 – 82%
A-	90 – 92%	C+	77 – 79%
B+	87 – 89%	C	73 – 76%
B	83 - 86%	F	72 or less

Semester Schedule (Subject to Change):

Module	Topic	Readings	Assignments
Module 1	Financial Literacy	Weikert, Ch. 1 McLaughlin, Ch. 3 & 8	
Module 2	Financial Statements	Weikert, Ch. 5 & 6 McLaughlin, Ch. 5	<i>Financial Statement Preparation</i>
Module 3	Budgeting & Resource Allocation	Weikert, Ch. 2 McLaughlin, Ch. 13 Finkler et al., Ch. 2	
Module 4	Cost Analysis & Cash Flow	Weikert, Ch. 3 & 4 McLaughlin, Ch. 9 & 11	
Module 5	Financial Policies and Internal Controls	Weikert, Ch. 14 McLaughlin, Ch. 22 & 24 Coe, Ch. 3	
Module 6	Financial Analysis	Weikert, Ch. 7 McLaughlin, Ch. 6	<i>Financial Statement Analysis</i>
Module 7	Financial Decision Making	Weikert, Ch. 8 & 10 McLaughlin, Ch. 18, 27, & 28	
Module 8	Audit, 990, and Reporting	McLaughlin, Ch. 5 (p.52-66), Ch. 10 Coe, Ch. 4	
Module 9	Group Project & Presentations		<i>Report & Presentation</i>
Module 10	Take-Home Final Exam		<i>Final Exam</i>