

PAD/PADX 5380
Nonprofit Financial Management
Spring 2025

Instructor: Esther Han

Office: Benedict Hall 210

Office Hours: By appointment

(In-person/Virtual. Please, email to make an appointment: ehan2@utep.edu)

Class meetings: Online class; Meeting time and location: Thursdays 6 PM at

<https://utep-edu.zoom.us/j/88408053275>

NOTE: I am flexible regarding appointments, but please call or e-mail ahead to set a time

COURSE OBJECTIVES

By the end of this course, you should be able to:

- Apply accounting principles, techniques, and concepts
- Read and analyze financial statements of nonprofit organizations
- Demonstrate how to use accounting and other financial information in nonprofit management
- Understand fundamental concepts and methods of finance and financial analysis
- Analyze contemporary financial management issues relevant to nonprofits
- Apply financial management knowledge and tools to assist in the decision-making of nonprofits

TARGET AUDIENCE: This course is designed for students who have no previous formal training (or equivalent on-the-job experience) in either business, nonprofit or government accounting or finance. If you have such training or experience, you probably should not be enrolled in this course.

COURSE OVERVIEW: The first portion of the course focuses on financial decision-making techniques, often referred to as managerial accounting. This section includes short and long-term financial decision-making, cash flow analysis, budgeting, managing resources and controlling financial plans. The second portion of the course focuses on financial accounting. This material covers the development of financial statements, accounting principles, and the use of financial statements to analyze a nonprofit's financial condition. The focus of this section is to help you use financial statements to understand the financial health of an organization and communicate this information to others.

This is a survey course. Much of the subject matter is technical and a single course will not make you an expert in financial management. However, mastery of the course material should be advantageous to anyone who is aiming for a position as a financial analyst or a front-line manager with budgetary responsibility.

DISCLAIMER: This course is numbers-oriented. Although you don't have to be a math genius, the course involves a considerable amount of number crunching and analysis of financial information. You will have to use a calculator in class and on exams and Excel in

some homework assignments. Some assignments will require you to describe what your numerical analysis means in plain language.

TEXTS, ADDITIONAL READINGS, and CALCULATOR

LEARNING MODULES

This course is designed using a modular format—that is, each week is “packaged” as a single module so that all the course materials, submission areas (case study), discussion posts are in one area for a given week.

Each week’s module includes the following: attending/watching the online lecture; participation in the online discussion board; textbook problem assignments; an individual case study, if any. Any unexcused incompleteness of each module (attending/watching lecture, quiz, discussion board, and other assignments) within the assigned week will result in a reduced final grade.

If you cannot complete the module within the given week, you must email me in advance to discuss with me what’s going on. The deadline to complete the given module is at midnight on Saturdays.

REQUIRED TEXTBOOK

Steven A. Finkler, et al., *Financial Management for Public, Health, and Not-for-Profit Organizations*, Sage, 7th edition, 2022.

NOTE ON EARLIER FINKLER EDITIONS AND ADDITIONAL READINGS:

I strongly recommend that you purchase the most recent edition of the Finkler et al. text. If you choose to purchase an earlier edition, make sure it is the 5th or 6th edition – earlier editions are too out-of-date. All readings and end-of- chapter problems will be listed for the 7th edition. If you purchase an earlier edition you will be responsible for the appropriate readings in that edition. All additional readings and case studies will be posted on Blackboard.

EXCEL OR OTHER SPREADSHEET PROGRAM

The exams and assignments will require that you have access to a computer with Microsoft Excel. We will go over the use of Excel for time value of money calculations in class. Other spreadsheet programs are fine, but we’ll only cover Excel in class.

GRADING

Class participation and attendance: 5% of grade

Three written exercises: combined total, 20% of grade

Financial Condition Analysis: 30% of grade

Midterm examination: 25% of grade

Final examination: 20% of grade

All grades will conform to the following scale:

A	93 – 100%	C-	70 – 72%
A-	90 – 92%	D+	67 – 69%
B+	87 – 89%	D	63 – 66%
B	83 – 86%	D-	60 – 62%
B-	80 – 82%	F	Below 60%
C+	79 – 77%		
C	73 – 76%		

WRITTEN EXERCISES

There will be three short written exercises. Each exercise is to be typed and submitted **through Blackboard** by the *beginning* of class on the designated date. Late assignments will not be accepted. Each will count 5% toward your course grade and are graded on a good faith effort basis. If your answer is largely correct, you will receive 5 points. Mostly correct answers receive 4.5 points. Answers that do not display a good faith effort will receive less. Missing assignments receive zero points, so please at least attempt the exercise! Computer crashes, printer breakdowns, or other technical problems will not be accepted as reasons for late delivery of assignments. Please do not delay your preparation until the last moment.

FINANCIAL CONDITION ANALYSIS

The final assignment is a financial condition analysis of a nonprofit organization to be completed with up to two other classmates. Your group should choose an organization as early as possible in the semester so that you can obtain its audited financial statements, form 990, and any other relevant materials well before the due date. Your group will turn in one paper and each member of your group will receive the same grade.

You may choose virtually any nonprofit organization based in the United States for this assignment. I recommend *against* choosing a foundation or other organization that primarily provides grants to other organizations. If you have any questions about the suitability of your organization, please provide me with a copy of the financial statements, and I will let you know.

You must obtain a copy of the most recent audited financial statements and submit a copy of the statements with your assignment (electronic copies or links to a website with the statements are fine). You may also obtain other documents (previous statements, budgets, etc.), but this is not required, and you do not need to submit these materials. The final written analysis should be no more than 10 pages long (double spaced), not counting tables or other supplementary materials. You will present a summary of your findings in class on May 8 and your final paper is due by May 10.

Financial condition analysis deadlines

April 3:

Inform instructor who you will be working with

April 10:

Inform instructor what organization you plan to analyze

May 8:

Present the summary of the analysis

May 10: final paper is due.

EXAMINATIONS:

- Format of exams is TBD
- Exams are open-book and open-note, but you may not communicate with anyone other than the instructor during the exam period!
- There will not be a makeup date for either the midterm or the final examination.
- There will be no extra exams or other forms of extra credit assignments to raise your course grade.

END-OF-CHAPTER EXERCISES

The Finkler text includes a number of useful problems at the end of each chapter. Suggested problems are listed for each topic. These problem sets are not required, and you do not have to hand in solutions. I strongly recommend that you complete the problems. We will go over some of them in class, and I will post solutions. **These problems are the best preparation for the exams and other written assignments.**

OFFICE HOURS, E-MAIL AND CONSULTING WITH INSTRUCTOR

I would be happy to meet with you in-person or videoconferencing platform to discuss class content, questions, or concerns. Please e-mail some dates and times that you are available, and we will set up an appointment.

I also strongly encourage you to use e-mail to contact me when you have questions that don't require a meeting. I will check my e-mail regularly and make every effort to answer your questions as quickly as possible.

NOTE: **please e-mail me directly at ehan2@utep.edu rather than through Blackboard.**

TECHNOLOGY REQUIREMENTS

Course content is delivered via the Internet through the Blackboard learning management system. Ensure your UTEP e-mail account is working and that you have access to the Web and a stable web browser. Google Chrome and Mozilla Firefox are the best browsers for Blackboard; other browsers may cause complications. When having technical difficulties, update your browser, clear your cache, or try switching to another browser.

You will need to have access to a computer/laptop, scanner, a webcam, and a microphone. You will need to download or update the following software: Microsoft Office, Adobe Acrobat Reader, Windows Media Player, QuickTime, and Java. Check that your computer hardware and software are up-to-date and able to access all parts of the course.

If you do not have a word-processing software, you can download Word and other Microsoft Office programs (including Excel, PowerPoint, Outlook and more) for free via UTEP's Microsoft Office Portal. Click the following link for more information about [Microsoft Office 365](#) and follow the instructions.

IMPORTANT: If you encounter technical difficulties beyond your scope of troubleshooting, please contact the UTEP [Help Desk](#) as they are trained specifically in assisting with technological needs of students. Please do not contact me for this type of assistance. The Help Desk is much better equipped than I am to assist you!

Course Communication: How we will stay in contact with each other

Because this is an online class, we won't see each other in the ways you may be accustomed to: during class time, small group meetings, and office hours. However, there are a number of ways we can keep the communication channels open:

- **Email:** UTEP e-mail is the best way to contact me. I will make every attempt to respond to your e-mail within 24-48 hours of receipt. When e-mailing me, be sure to email from your UTEP student account and please put the course number in the subject line. In the body of your e-mail, clearly state your question. At the end of your e-mail, be sure to put your first and last name, and your university identification number.

Discussion Board: If you have a question that you believe other students may also have, please post it in the Help Board of the discussion boards inside of Blackboard. Please respond to other students' questions if you have a helpful response.

Announcements: Check the Blackboard announcements frequently for any updates, deadlines, or other important messages.

NETIQUETTE

As we know, sometimes communication online can be challenging. It's possible to miscommunicate what we mean or to misunderstand what our classmates mean given the lack of body language and immediate feedback. Therefore, please keep these netiquette (network etiquette) guidelines in mind. Failure to observe them may result in disciplinary action.

- Always consider audience. This is a college-level course; therefore, all communication should reflect polite consideration of other's ideas.
- Respect and courtesy must be provided to classmates and to the instructor at all times. No harassment or inappropriate postings will be tolerated.
- When reacting to someone else's message, address the ideas, not the person. Post only what anyone would comfortably state in a face-to-face situation.
- Blackboard is not a public internet venue; all postings to it should be considered private and confidential. Whatever is posted on in these online spaces is intended for classmates and professor only. Please do not copy documents and paste them to a publicly accessible website, blog, or other space.

INCOMPLETE GRADE POLICY

Incomplete grades may be requested only in exceptional circumstances after you have completed at least half of the course requirements. Talk to me immediately if you believe an incomplete is warranted. If granted, we will establish a contract of work to be completed with deadlines.

ACCOMMODATIONS POLICY

The University is committed to providing reasonable accommodations and auxiliary services to students, staff, faculty, job applicants, applicants for admissions, and other beneficiaries of University programs, services and activities with documented disabilities in order to provide them with equal opportunities to participate in programs, services, and activities in compliance with sections 503 and 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act (ADA) of 1990 and the Americans with Disabilities Act Amendments Act (ADAAA) of 2008. Reasonable accommodations will be made unless it is determined that doing so would cause undue hardship on the University. Students requesting an accommodation based on a disability must register with the UTEP Center for Accommodations and Support Services (CASS). Contact the Center for Accommodations and Support Services at 915-747-5148, or email them at cass@utep.edu, or apply for accommodations online via the CASS portal.

SCHOLASTIC INTEGRITY

Academic dishonesty is prohibited and is considered a violation of the UTEP Handbook of Operating Procedures. It includes, but is not limited to, cheating, plagiarism, and collusion. Cheating may involve copying from or providing information to another student, possessing unauthorized materials during a test, or falsifying research data on laboratory reports. Plagiarism occurs when someone intentionally or knowingly represents the words or ideas of another as ones' own. Collusion involves collaborating with another person to commit any academically dishonest act. Any act of academic dishonesty attempted by a UTEP student is unacceptable and will not be tolerated. All suspected violations of academic integrity at The University of Texas at El Paso must be reported to the Office of Student Conduct and Conflict Resolution (OSCCR) for possible disciplinary action. To learn more, please visit HOOP: Student Conduct and Discipline.

CLASS RECORDINGS

The use of recordings will enable you to have access to class lectures, group discussions, and so on in the event you miss a synchronous or in-person class meeting due to illness or other extenuating circumstance. Our use of such technology is governed by the Federal Educational Rights and Privacy Act (FERPA) and UTEP's acceptable-use policy. A recording of class sessions will be kept and stored by UTEP, in accordance with FERPA and UTEP policies. Your instructor will not share the recordings of your class activities outside of course participants, which include your fellow students, teaching assistants, or graduate assistants, and any guest faculty or community-based learning partners with whom we may engage during a class session. You may not share recordings outside of this course. Doing so may result in disciplinary action.

PLAGIARISM DETECTING SOFTWARE

Some of your course work and assessments may be submitted to SafeAssign, a plagiarism detecting software. SafeAssign is used to review assignment submissions for originality and will help you learn how to properly attribute sources rather than paraphrase.

COPYRIGHT STATEMENT FOR COURSE MATERIALS

All materials used in this course are protected by copyright law. The course materials are only for the use of students currently enrolled in this course and only for the purpose of this course. They may not be further disseminated.

Course Resources: Where you can go for assistance

UTEP provides a variety of student services and support:

Technology Resources

- [Help Desk](#): Students experiencing technological challenges (email, Blackboard, software, etc.) can submit a ticket to the UTEP Helpdesk for assistance. Contact the Helpdesk via phone, email, chat, website, or in person if on campus.

Academic Resources

- [UTEP Library](#): Access a wide range of resources including online, full-text access to thousands of journals and eBooks plus reference service and librarian assistance for enrolled students.
- [University Writing Center \(UWC\)](#): Submit papers here for assistance with writing style and formatting, ask a tutor for help and explore other writing resources.
- [Math Tutoring Center \(MaRCS\)](#): Ask a tutor for help and explore other available math resources.
- [History Tutoring Center \(HTC\)](#): Receive assistance with writing history papers, get help from a tutor and explore other history resources.
- [RefWorks](#): A bibliographic citation tool; check out the RefWorks tutorial and Fact Sheet and Quick-Start Guide.

Individual Resources

- [Military Student Success Center](#): Assists personnel in any branch of service to reach their educational goals.
- [Center for Accommodations and Support Services](#): Assists students with ADA-related accommodations for coursework, housing, and internships.
- [Counseling and Psychological Services](#): Provides a variety of counseling services including individual, couples, and group sessions as well as career and disability assessments.

COURSE OUTLINE, SCHEDULE AND ASSIGNMENTS

The course syllabus provides a general plan for the course; subject to change if necessary.

March 27

COURSE INTRODUCTION; BUDGETING

Read: Finkler, Preface, Chapters 1, 2, and 3 Millbridge case study is optional.

Discussion: Nonprofit vs. Public vs. Private Finance
Complete: Finkler problems 2-32, 2-33

April 3

BUDGETING (continued); COST ANALYSIS

Read: Finkler, Chapters 2, 3, and 4

Altamimi, H., & Liu, Q. (2022). The nonprofit starvation cycle: Does overhead spending really impact program outcomes?. Nonprofit and Voluntary Sector Quarterly, 51(6), 1324-1348.

Lecy, J. D., & Searing, E. A. (2015). Anatomy of the nonprofit starvation cycle: An analysis of falling overhead ratios in the nonprofit sector. Nonprofit and Voluntary Sector Quarterly, 44(3), 539-563.

Discussion: Nonprofit Overhead Cost.

Complete: Finkler problems 3-25, 3-34; 4-30, 4-32, 4-34, 4-48.

Complete: Finkler problems 4-30, 4-32, 4-34, 4-48.

E-mail to ehan2@utep.edu: Will you be working alone or in a group on the final project?

April 10

TIME VALUE OF MONEY AND CAPITAL BUDGETING

Read: Finkler, Chapter 5 (including Appendix 5-A).

Discussion: The Theater Budget case study

ASSIGNMENT#1 DUE 7 PM: Mead Meals on Wheels Center

Complete: Finkler Problems 5-29, 5-30, 5-34, 5-37, 5-39 (Note: solve using Excel)

E-mail to ehan2@utep.edu: Which nonprofit organization?

April 17

ACCOUNTABILITY AND CONTROL (VARIANCE ANALYSIS)

Reading: Finkler, Chapters 8

Woods Bowman, "Nonprofit Accountability and Ethics: Rotting from the Head Down."

Complete: Finkler Problem 8-28, 8-29, 8-30, 8-32.

ASSIGNMENT#2 DUE 7 PM:
Orangetown United for Full Employment

MIDTERM EXAMINATION (DATE TBD)

Apr 24

**INTRODUCTION TO FINANCIAL ACCOUNTING:
GENERALLY ACCEPTED ACCOUNTING PRINCIPLES
AND THE STATEMENT OF FINANCIAL POSITION**

Reading: Finkler Chapter 9 (Appendices are optional)
Complete: Finkler, Problems 9-26 through 9-31

May 1

ACTIVITY STATEMENT AND CASH FLOW STATEMENT

Reading: Finkler, Chapters 10 and Appendices 10-B and 10-C
Complete: Finkler, Problems 10-14 through 10-18
(don't need to make cash flow statement)

E-mail to ehan1@uga.edu: What organization will you be analyzing for your final project?

May 8

**UNIQUE ASPECTS OF NONPROFIT ACCOUNTING:
990 FORMS AND FINANCIAL CONDITION ANALYSIS**

Reading: Finkler Chapter 11, 14 and 15
Complete: Finkler problem 11-14, 11-15

ASSIGNMENT # 3 DUE 7 PM:
PROMOTING ALL STUDENT SUCCESS (PASS)

MANAGING NONPROFIT FINANCIAL HEALTH

Reading:

Prentice, C. (2016). Why So Many Measures of Nonprofit Financial Performance? Analyzing and Improving the Use of Financial Measures in Nonprofit Research. 45 (4). 715-740.

Irvin, R. A., & Furneaux, C. W. (2022). Surviving the black swan event: How much reserves should nonprofit organizations hold? Nonprofit and Voluntary Sector Quarterly, 51(5), 943-966.

ASSIGNMENT 4 IS DUE 7 PM:
NOTES ON MAJOR MEDICAL CENTER CASE STUDY
(Optional)

FINANCIAL CONDITION ANALYSIS DUE: May 10

FINAL EXAM: TBD