

PPPM 684 PUBLIC & NONPROFIT FINANCIAL MANAGEMENT

School of Planning, Public Policy and Management
University of Oregon, Spring 2023



March 19, 2023 version. Subject to change prior to and during the quarter. The months of May and June are especially in flux regarding due dates and class sessions (one reason being the holiday on May 29th). Use the latest (posted on Canvas) version of this syllabus.

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Office Hours: Mondays 9-11am and by appointment

Office: Hendricks 147A or Zoom: <https://uoregon.zoom.us/j/98103379801>

Please email if you need to make an appointment outside of office hours. Otherwise just show up to office hours in person or on Zoom... I do not require signing up ahead of time, but there may be a bit of a wait if others show up.

Lecture Format: The lectures have been transferred to print – except for material which is best explained step by step in the tutorial. Each week, read the assigned readings, then read the “Irvin Written Lecture.” In these written lectures, I will walk you through the readings, commenting on the strengths and weaknesses of the chapters. I’ll point out what is important, and what’s OK to just skim. To make the concepts more tangible, I’ll provide anecdotes – real life situations that illustrate what you’re reading (with some great links to explore if you want to go down some financial management rabbit holes). Where the text is too brief, I’ll provide step by step clarifying instruction: this happens often. Most importantly, I’ll walk you through the material with current data from cities and nonprofit agencies, so you can see how these concepts come to life, with the most recent data at hand. I’ll give you examples to work on, so that you get comfortable manipulating the numbers. There will be worksheets – lots of worksheets! Financial management is best learned with a calculator and a pen & paper in hand.

Important: Because the lecture materials are largely in print, our class sessions are more for working through examples, not lecturing. The class sessions will sometimes be shorter than the full 3-hour allotment, therefore.

It's critical that you read the chapter and "Irvin lecture" material before you attend class. That said, you miss a LOT of material if you miss class, so you can assume that this is like any other class in that attendance is important.

Curricular Overview: This course is an overview of financial management issues, principles and tools for government and nonprofit organizations. The course involves discussion, theoretical understanding, and practical applications of basic financial management. Understanding basic financial management issues is important for analyzing the current and future financial health of an organization or agency, leading to more informed managerial decision-making. This course is required for completion of the Master of Public Administration, the Master of Nonprofit Management or the Graduate Certificate in Nonprofit Management.

This is not a government or nonprofit accounting class, but learning to understand accounting practices and interpret financial reporting is part of the course. Topics include ongoing and special project budgeting, capital project decision making, cost concepts, endowment stewardship, financial reporting and analysis, and internal control systems. The focus will be on preparing students to be skilled consumers and analysts of financial information, and to be excellent financial strategists and managers in government or nonprofit organizations. Good formatting skills in MS Excel, as well as basic concepts in algebra, will be important when we cover the analytic components of the material. I also emphasize the importance of presentation and communication of financial material. There is no prerequisite for the course, however.

Competencies

By completing this course, students will be able to:

- Construct a program budget
- Design a reserves, endowment, or budget stabilization (rainy day fund) system: accumulating, investing, and payout policies for the funds
- Evaluate financial reports to analyze the financial condition of a nonprofit or government agency and suggest areas of concern and suggestions for improvement
- Present financial information in a sensible and visually clear format that aids mid-year and annual decision making.
- Be able to select and explain appropriate techniques for enhancing internal control of financial resources within a government or nonprofit context.

Class Format

You'll read both the assigned readings plus the "Irvin" lecture. We will build on the readings and written lecture by working through examples (with numbers) and exercises that allow you to build your skills with the material, as noted above. Thus, there will be very few Powerpoint slides and a lot of step by step instructions and opportunities to master the concepts each week. Be present at the Monday class session to reinforce and practice working through the concepts.

General Requirements and Information

Write all assignments carefully to convey a professional tone and elicit confidence in your work. Poor editing will result in points taken off assignments.

Late assignments receive only partial credit. Once the answer key is posted to the website, however, no late homework assignments are accepted (no credit).

The College of Design (the School of Planning, Public Policy & Management's administrative home), is a community that values inclusion. We are committed to equal opportunities for all faculty, staff and students to develop individually, professionally, and academically regardless of ethnicity, heritage, gender, sexual orientation, ability, socio-economic standing, cultural beliefs and traditions. If you feel excluded or

threatened, please contact me or anyone else in PPPM who can assist. PPPM has a student-faculty Equity Initiative, and all are encouraged to participate.

In addition, we are also committed to providing an environment free of all forms of prohibited discrimination and sexual harassment, including sexual assault, domestic and dating violence and gender-based stalking. If this happens to you or a student you know, I will counsel you/and or the student to seek confidential assistance at the University Health Center and the University Counseling Center.

Please let me know if you notice that I am using a gender pronoun for you that is inappropriate. I once got this wrong and have been bothered by my error ever since; I don't want to make the same mistake again.

Incomplete grades are granted only if you're almost done with the course requirements. Here is the language from the Provost's Office about the incomplete process:

- Student contacts instructor and requests Incomplete by 5pm on the last day of finals week.
- If the instructor agrees that the student meets the criteria, the instructor and the student complete a contract outlining how the Incomplete can be resolved, the deadline for resolving the incomplete, and the default grade should the student not complete the agreed upon work. The default grade is the grade the student would receive according to the syllabus grade guidelines with no credit for the missing work.
- The Incomplete Request Form is filed.
- The missing work indicated on the form must be completed by the earlier of:
 - Grading deadline of the term the student applied to graduate, or
 - Deadline stated on the Incomplete Request Form **can be extended at the discretion of the instructor, or*
 - The day grades are due one academic year later

After you complete the material at a later date (perhaps during Summer term), I can update your grade.

Documented Disabilities

Students who have a documented disability and anticipate needing accommodations in this course should make arrangements with me as soon as possible. I'm happy to accommodate requests – just let me know with enough lead time.

Academic Misconduct

You are expected at all times to do your own work, simply because I want you to learn the material. Copying content from other students or other authors and submitting it as your own work is grounds for failing the class. The University Student Conduct Code (available at conduct.uoregon.edu) defines academic misconduct, and students are prohibited from committing or attempting to commit any act that constitutes academic misconduct. For example, students should not give or receive (or attempt to give or receive) unauthorized help on assignments or examinations without express permission from me. Students should properly acknowledge and document all sources of information (e.g. quotations, paraphrases, ideas). If there is any question about whether an act constitutes academic misconduct, it is your obligation to clarify the question with me before committing the act.

Graded Requirements:

In accordance with the PPPM School grading policy for graduate courses, the average grade in this course is a B+.

- ◇ Worksheets will be ungraded, but I urge you to work through all of them because they help cement the concepts and set you up for success on the midterm and final.
- ◇ Two homework assignments will each count for 15% of the grade.
- ◇ Attendance is 10% of the course grade.

- ◇ There will be 6 quizzes, and you may drop the lowest two. Their total will be 20% of the grade.
- ◇ The financial review and dashboard assignment will count for 20% of the grade.
- ◇ The final examination will count for 20% of the class grade.
- ◇ This phrase answers a question that I will put on Quiz #1: “stable, boring finances.” Thank you for reading the syllabus thoroughly!

It is helpful to have a calculator with an exponent function. If you have an iPhone, note that the exponent function is x^y and can be accessed by turning your phone sideways (voilà!). The exponent function also might look like a hat $^$ or \wedge . (I recommend the TI-30X IIS.)

Required Readings:

Coe, Charles K., Nonprofit Financial Management: A Practical Guide (Wiley, 2011). Available at the DuckStore. The UO library has a free electronic copy as well, but be aware that there are no page numbers in the e-version and you will not be able to reference the lecture notes with the book. That is, throughout the lecture notes, I bring certain things to attention like “the charts on page 37 are excellent”, so it helps to have the hard copy with page numbers.

There will be additional chapter readings from Finkler, Purtell, Callabrese and Smith, Financial Management for Public, Health, and Not-for-Profit Organizations. Pdfs available on Canvas.

Irvin, Renee A. Lectures for PPPM 684 (Hendricks Hall Press, 2023). Available on Canvas weekly.

Look for additional readings, powerpoint slides, and worksheets in the week by week **modules** on Canvas and on each week’s entry here on the syllabus. If you can’t find a reading on a weekly module, check the Files section of Canvas. If any posted readings are optional, I will clearly indicate that. All readings in the weekly modules are required if they aren’t explicitly labeled as optional.

Course Schedule (subject to change)

Week 1, April 3 Introductions, conventions in formatting financial information, data sources, Excel basics. Read Irvin Week 1 (this is the written lecture posted on Canvas) and any other materials posted on the Week 1 module, including the syllabus. Quiz 1 (given at the beginning of class next week) will be on the material for this week (readings and lecture) AND next week’s reading material.

Week 2, April 10: Nonprofit and Government Revenues and Expenditures. Introduction to basic accounting terms and end-of-year financial reports.

Read the Ebdon chapter, Coe chapter 1 and 2, Irvin Week 2, and the Excel files on State & Local Government Finances. Quiz 1 today is on Weeks 1 and 2 readings and last week’s lecture material, including the syllabus.

Week 3, April 17: Looking back – government and nonprofit financial reporting. Introduction to Form 990s and CAFRs.

Read Coe Chapter 5 to page 86, Irvin written lecture notes for Week 3, and Finkler et al. ch. 14 plus pages 511-517 in Finkler ch. 15. Quiz 2 today is on last week’s in-class lecture material and this week’s readings.

Week 4, April 24: Looking back: Analyzing the financial health of an organization with trends and ratios.

Read Coe chapter 5 pages 86-end, Irvin Week 4, and Finkler et al. ch. 15. Optional: For those of you who are more interested in government financial reporting and condition analysis, read Finkler chapter 16. Homework #1 assigned. [Quiz 3 today](#) is on last week's in-class lecture material and this week's readings.

Week 5, May 1: Looking forward: Introduction to budgeting. Forms of budgeting, forecasting, and carryforward.

Read Coe chapter 6, Irvin Week 5, and Finkler et al pages 56-65, Finkler ch. 3. [Quiz 4 today](#) is on last week's in-class lecture material and this week's readings. [Homework #1 due](#).

Week 6, May 8: Creative timeout – constructing dashboards. Mid-year reporting. Classification of costs.

Read Irvin Week 6. Financial Review and Dashboard Assignment assigned; (optional draft due Week 8) final copy due Week 10. Optional: Look at Eugene's budget website (the interactive portion is "open budget"): <https://www.eugene-or.gov/106/Budget>. No quiz this week!

Week 7, May 15: Financing strategic plans, plus cash flow budgeting, endowment, reserves, and government rainy day funds.

Read Irvin Week 7, Coe chapter 7, and Finkler chapter 3 (review from week 5). [Quiz 5 today](#) is on weeks 5 and 6 in-class lecture material plus this week's readings. Homework #2 assigned.

Optional reading: Pew Charitable Trust's "Building State Rainy Day Funds."

Week 8, May 22: Infrastructure planning and finance, capital budgeting & decision making. Read Finkler chapters 5 + Appendix 5-B and portions of chapter 6 + Appendix 16-A. Read Irvin Week 8. [Quiz 6 today](#) is on last week's in-class lecture material plus this week's readings. [Homework #2 due](#).

Optional: Zerbe and Bellas's reading on Benefit-Cost Analysis.

Optional: rough draft of Financial Review and Dashboard Assignment due (if you want feedback).

Week 9 May 29: Reading-only day (Memorial Day holiday, so there is **no in-class session): Internal Control. Investment practices.**

Read Irvin Week 9 and Coe chapters 3 and 11 plus pages 73, 137-140, and 219-220.

Week 10, June 5: Topics wrap-up. [Financial Review and Dashboard Assignment due](#).

Week 11, [Final exam](#). According to the UO final exam schedule, ours is scheduled for 2:45pm on Monday, June 12th.