Lives of Significance and Service
NORTH PARK UNIVERSITY CHICAGO

School of Business and Nonprofit Management
Course Syllabus

Course: *SBNM5351- Nonprofit Financial Decision Making B12*
Academic Year: 2012/13 **Semester/Quad:** *Summer B*
Credit Hours: 2
Prerequisites: *None*
Class Meets: ***On-line***

Instructor: *Timothy J. O'Brien, Ph.D., Adjunct Professor*

Phone: 312-968-7750

Email: tobrien @northpark.edu

Availability:

You can reach me by e-mail. I will respond within 24 hours. You can also contact me by phone (the number given is my cell phone) and I will respond within 24 hours.

Course Description:

This course is a continuation of the foundational knowledge built in SBNM 5350. It also addresses the knowledge and skills necessary to provide financial leadership in a nonprofit organization. We will cover topics, integrating theory and practice that are essential to understanding how financial decisions might be made within a nonprofit organization. While we will examine accounting methodology, and introduce the learner to them, the emphasis is on ***leading*** the financial function. Included in this course are appropriate financial and management strategies, GAAP, management control, long and short range planning, financial statement analysis, financial resource management, compliance and financial decision making tools.

Course Materials:

Required: Textbook(s):
Financial Management of Nonprofit organizations: Policies and practices by Zeitlow, Hankin and Seidner. John Wiley & Sons, 2007. ISBN: 978-0-471-74166-4

Not-for-Profit Accounting made easy 2nd Ed. By Warren Ruppel. John Wiley & Sons, 2007.ISBN: 978-0-471-78979-6

Essential IDEA Objectives:

1. Gaining factual knowledge (terminology, classifications, methods, trends).
2. Learning fundamental principles, generalizations, or theories.
3. Learning to apply course material (to improve thinking, problem solving, and decisions).

Specific Course Objectives:

At the conclusion of this course, learners will be able to:

1. Connect the financial elements of strategy development
2. Develop financial policies
3. Create long-range financial plans and perform capital budgeting
4. Develop and manage the treasury function including cash management strategies and banking relationships
5. Create and manage policies and procedures related to investment management
6. Develop policies regarding risk management
7. Articulate the role of the financial manager in terms of human resources and legal issues
8. Evaluate policies, key performance indicators and progress in terms of long range financial plans
9. Utilize the dashboard concept to enhance board and staff financial literacy
10. Develop an overall understanding of financial management and planning through creating a paper that will evaluate the financial management and health of a nonprofit organization

Course Methodology:

Because this course is being taught in intensive format, it is very important for students to keep up with readings, assignments and online discussions. Questions will be posted by the course facilitator on the course site on a weekly basis to stimulate the discussion. Responses need not be directed to the course facilitator but can and should be in response to the thoughts and ideas of other students as well.

Some assignments will be posted online for class member review and comments. The course facilitator expects that each student will provide constructive and timely feedback to other class members on assignments as required. While the course facilitator may also provide online feedback on assignments, grades for each course assignment will be given privately.

Computer Requirements:

In order to effectively participate in and successfully complete this course, each participant will need to have access to a computer and a high-speed internet connection. Please visit http://www.northpark.edu/Campus-Life-and-Services/Information-Technology/Network/Minimum-Requirements for information on computer requirements.

Technical Skills Required:

While not required, the ability to use excel is recommended.
Weekly review questions and exams require the use of MS Word.

Schedule of Weekly Assignments:

Week	Dates	Topics	Assignment(s)
1	July 8-14	Managing Mission and Strategy	1. Read Chapter 3, *Financial Management for Nonprofit Organizations*, by Zeitlow, Hankin and Seidner. 2. See week #1 Assignment: Discussion questions. 3. See week #1 Assignment: Review questions. 4. Post resume/autobiography
2	July 15-21	Developing Financial Policies	1. Read Chapter 5, *Financial Management for Nonprofit Organizations*, by Zeitlow, Hankin and Seidner. 2. Read Sample Nonprofit Finance Policies (posted in Moodle) 3. See week #2 Assignment: Discussion questions. 4. See week #2 Assignment: Review questions.
3	July 22-28	Long-Range Financial Planning and Capital Budgeting	1. Read Chapter 9, *Financial Management for Nonprofit Organizations*, by Zeitlow, Hankin and Seidner. 2. See week #3 Assignment: Discussion questions 3. See week #3 Assignment: Review questions
4	July 29-Aug 4	Cash Management and Banking Relationships	1. Read Chapter 11 *Financial Management for Nonprofit Organizations*, by Zeitlow, Hankin and Seidner. 2. See week #4 Assignment: Discussion questions 3. See week #4 Assignment: Review questions 4. Paper #1 due

Week	Dates	Topics	Assignment(s)
5	Aug 5-11	Investment Policies and Guidelines	1. Read Chapter 12 *Financial Management for Nonprofit Organizations*, by Zeitlow, Hankin and Seidner. 2. See week #5 Assignment: Discussion questions 3. See week #5 Assignment: Review questions
6	Aug 12-18	Managing Risk, Legal Issues and Human Resources	1. Read Chapter 14, *Financial Management for Nonprofit Organizations*, by Zeitlow, Hankin and Seidner. 2. Read Risk Management Center Article (posted on Moodle) 3. See week #6 Assignment: Discussion questions 4. See week #6 Assignment: Review questions
7	Aug 19-25	Evaluating Policies and Progress	1. Read Chapter 15, *Financial Management for Nonprofit Organizations*, by Zeitlow, Hankin and Seidner. 2. See week #7 Assignment: Discussion questions 3. See week #7 Assignment: Review questions 4. Paper # 2 Due

Grading:

Assignment	Points	Grade %
Discussion Board	70	28%
Resume/Autobiography	10	4%
Weekly Review Questions	70	28%
Paper #1	50	20%
Paper #2	50	20%
Total	*250*	100%

Grade Mapping:

Numeric Grade	Letter Grade	Numeric Grade	Letter Grade
236-250	A (95-100%)	200-216	B- (80-82%)
225-235	A- (90-94%)	193-199	C+ (77-79%)
218-224	B+ (87-89%)	183-192	C (73-76%)
208-217	B (83-86%)	175-182	C- (70-72%)

Assignment Grading Policies:

All assignments and exams are due by Sunday at 11:55pm. Late assignments are only accepted with the prior agreement of the instructor. Late assignments not previously granted will not be accepted.

Student Responsibilities:

1. Attendance and presence are required for this course. You are expected to post a substantive contribution to the discussion at least 3-4 times per week Simply saying "hello" or "I agree" is not considered to be a substantive contribution (see below for posting suggestions). You must support your position or begin a new topic or add somehow to two original posts and two responses of other learners' posts during the week. Quality of comments is more important than quantity.
2. All assignments will be posted on-line. You will be asked to comment and provide feedback to one another on your work.
3. Although I strongly suggest that all issues, questions and problems can be dealt with on-line, you can feel free to call or e-mail me regarding these issues. Contact information and time parameters are posted on the site.
4. Use good "netiquette" (See *A Guide to Netiquette* in Course Information, Course Expectations folder on Moodle).
5. Be prepared to spend 8-10 hours each week on course responsibilities (e.g. reading assignments, on-line discussion etc.)
6. The most predictable breakdown occurs when learners are late in posting their assignments and responses. This is often the result of illness, business travel, work overload or computer problems. Be aware that the learning of your peers will be disrupted by your lateness. Please call me as soon as possible if a situation which will effect a due date or your peers, and post a message to the group. Remember to post regularly, even just to check in with you peers.

Instructor Responsibilities:

1. The course facilitator will design the course and learning modules in such a way that learners have every opportunity to achieve learning objectives.
2. While the course facilitator will not lead the online discussion, he will provide reactions to learner responses and discussion as appropriate in order to clarify important ideas and concepts.
3. The course facilitator will provide updated information on relevant resources for the various topics of interest.
4. The course facilitator will read and critically assess learner's assignments and provide feedback within a week of receipt.
5. The course facilitator will respond to learners' e-mails within 48 hours of receipt.
6. The course facilitator will respond to all learner phone calls within 24 hours.

Weekly Learning Objectives:

Week 1	Topic	At the end of the week students will be able to:
1	Managing Mission and Strategy	1. Articulate the role of strategic planning in the overall fiscal life of the nonprofit organization 2. List the fiscal elements and decisions of the strategic plan 3. Develop the phases in the strategic planning process 4. Identify basic financial planning methods 5. Develop and deploy performance management systems 6. Develop contingency plans for cost cutting
2	Developing Financial Policies	1. Develop a rationale for developing board approved policies 2. Develop an understanding of the role of the board treasurer and the relationship to finance staff 3. Decide on the type of policies to create and maintain 4. Articulate various categories of financial policies 5. Articulate the need for internal controls and the elements involved in creating them 6. Decide on the various elements of policies and how they are connected to compliance issues 7. Create a process for putting policies in place and establishing procedures
3	Long-Range Financial Planning and Capital Budgeting	1. Develop a long-range financial plan 2. Develop a capital budget 3. Calculate target liquidity 4. Plan for growth 5. Evaluate new and existing programs from a financial perspective 6. Perform a financial evaluation of mergers, joint-ventures and strategic alliances
4	Cash Management and Banking Relationships	1. Develop a plan for banking and cash management 2. Develop an understanding of collection and disbursement systems 3. Develop a plan to manage bank balances and transactions 4. Perform cash forecasts 5. Determine short-term borrowing and investing strategies and procedures **6.** Plan an overall banking relationship strategy
5	Investment Policies and Guidelines	1. Articulate the overall policy function for investments in nonprofit organizations 2. Develop a set of investment guidelines, what is being managed? 3. Determine asset allocation and risk strategies 4. Create a plan for various investment instruments

		5. Determine investment performance criteria and reporting 6. Determine the liquidity effect of investment management 7. Create an investment policy that covers the role of the investment committee, assigns responsibility and reporting methods
6	Managing Risk, Legal Issues and Human Resources	1. Create a risk management policy which includes setting responsibility and communication of risk issues 2. Discern the various elements of risk and articulate how to manage them 3. Articulate the legal and compliance requirements including Sarbanes-Oxley 4. Create an ethics policy 5. Develop a policy related to human resources which safeguards personnel as well as protecting the organization from lawsuits 6. Develop a conflict of interest policy as well as director and officers' liability 7. Develop methods of safeguarding assets through insurance
7	Evaluating Policies and Progress	1. Develop a method for evaluating decision and ethics, communications and management skills 2. Determine financial health of the nonprofit organization 3. Determine the effectiveness of policies regarding governance, investments, fundraising, risk management and human resources

ASSIGNMENT SPECIFICATIONS

Weekly Review Questions

Assignment Specifications:
Each week the student will respond to the weekly review questions. These questions are designed to integrate the previous week's readings, lecture and class discussion. The weekly review questions are to be submitted via Moodle prior to the next week's class (i.e. week 1 review questions are due before the week 2 class)

Criteria	6 Points	4 Points	3 Points
Key Principles	Response is substantive and relates to the reading, lecture and class discussion	Reference made to reading, lecture and discussion but is not sufficiently integrated	Inadequate or no reference to reading; little evidence that student understood the principles
	2 Points	**1 Point**	**0 Points**
Examples	Uses relevant examples	Examples are used but not integrated effectively into response	No examples provided
	2 Points	**1 Point**	**1 Point**
Writing Style	Syntax and grammar is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical. Citation and references are used.	Only 3 of these are present - Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical	Only 2 or fewer are present: Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical

Criteria for Grading Discussion Forum Participation

Your posts will be graded on a weekly basis according to the following criteria:

Initial Posting Rubric

CATEGORY	3 Points	2 Points	1 Point
Key Principles	Discussion is substantive and relates to key principles of the assignment	Reference made to key principles but is not sufficiently integrated	Inadequate or no reference to key principles; no evidence that student understood the principles
CATEGORY	**1 Point**	**1 Point**	**1 Point**
Examples	Uses relevant examples	Examples are used but not integrated effectively into response	No examples provided
CATEGORY	**1 Point**	**1 Point**	**1 Point**
Timely Posting	Posted by the deadline	NA	Posted within one day of the deadline
CATEGORY	**1 Point**	**1 Point**	**1 Point**
Writing Style	Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical	Only 3 of these are present - Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical	Only 2 or fewer are present: Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical

Response Posting Rubric (for each of 2 postings)

CATEGORY	1 point - Meets Standards	.5 points - Approaches Standards
Statements that Further and/or Clarify	Reply includes 2 statements that further or clarify the discussion such as - relating a personal experience - summarizing the peer's post - offering further resources - making additional tie-ins to course material	Reply includes 1 statement that furthers or clarifies the discussion such as - relating a personal experience - summarizing the peer's post - offering further resources - making additional tie-ins to course material
	1 point - Approaches Standards	**.5 points - Approaches Standards**
Statements that Compliment and/or Encourage	Reply includes 2 positive statements that are compliments or that acted as encouragement to the peer	Reply includes 1 positive statement that is a compliment or that acted as encouragement to the peer

Paper #1

Paper #1 (50 points) Due at the end of week 4 (April 18—11:59pm)

Using APA format, write a 6-10 page paper (double spaced) on the importance of developing policies and guidelines for nonprofit organizations. Make sure that you address:

1. A general description of the policy function and the board's fiscal responsibility
2. An outline and brief description of the elements of a financial policy manual (what are the important areas to be included)
3. Provide a concluding argument on the need for a policy manual; cite two articles or books that supplement your argument for policy development.

Assignment Specifications:
Paper # 1 will be graded according to the following criteria

CATEGORY	25 Points	20 Points	0 Points
Key Principles	Answer is substantive and relates fully to the question	Answer covers basic information but is not sufficiently integrated	Inadequate response or no reference to key principles; no evidence that student understood the question
CATEGORY	**10 Points**	**7.5 Points**	**0 Points**
Examples	Uses relevant examples	Examples are used but not integrated effectively into response	No examples provided
CATEGORY	**15 Points**	**5.0 Points**	**0 Points**
Writing Style	Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical	Only 3 of these are present - Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical	Only 2 or fewer are present: Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical

Paper #2

Paper #2 (50 Points) Due at the end of Week 7 (May 5, 11:59pm)

Using APA format, write a 10-12 page paper (double spaced) on financial decision making in nonprofits. Provide a summary of the financial management function, how decision making data is derived and interpreted. Use the topics covered in both SBNM5350 and SBMN5351 as a guide to the areas that need to be considered e.g. Financial Statements, planning documents (strategic plan, annual budget, financial health evaluation, ethical decision making, investments, liabilities, and risk). You need not cover each of these in depth, but a brief description should be provided as to how decision making needs to incorporate finance.

This paper should incorporate these areas in order to provide a context and content for an overall financial management strategy. Cite the Zeitlow and Ruppel texts **as well as at least two other works**.

Assignment Specifications:
Paper # 2 will be graded according to the following criteria

CATEGORY	25 Points	20 Points	0 Points
Key Principles	Answer is substantive and relates fully to the question	Answer covers basic information but is not sufficiently integrated	Inadequate response or no reference to key principles; no evidence that student understood the question
CATEGORY	**10 Points**	**7.5 Points**	**0 Points**
Examples	Uses relevant examples	Examples are used but not integrated effectively into response	No examples provided
CATEGORY	**15 Points**	**5.0 Points**	**0 Points**
Writing Style	Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical	Only 3 of these are present - Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical	Only 2 or fewer are present: Syntax is appropriate, terminology used accurately and appropriately, language is understandable and concise, organization is logical

POLICY STATEMENTS

Academic Honesty

In keeping with our Christian heritage and commitment, North Park University and the School of Business and Nonprofit Management are committed to the highest possible ethical and moral standards. Just as we will constantly strive to live up to these high standards, we expect our students to do the same. To that end, cheating of any sort will not be tolerated. Students who are discovered cheating are subject to discipline up to and including failure of a course and expulsion.

Our definition of cheating includes but is not limited to:

1. Plagiarism – the use of another's work as one's own without giving credit to the individual. This includes using materials from the internet.
2. Copying another's answers on an examination.
3. Deliberately allowing another to copy one's answers or work.
4. Signing an attendance roster for another who is not present.

In the special instance of group work, the instructor will make clear his/her expectations with respect to individual vs. collaborative work. A violation of these expectations may be considered cheating as well.
For further information on this subject you may refer to the Academic Dishonesty section of the University's online catalog.

In conclusion, it is our mission to prepare each student for a life of significance and service. Honesty and ethical behavior are the foundation upon which such lives are built. We therefore expect the highest standards of each student in this regard.

Attendance Policy for Graduate Courses

The graduate courses in the SBNM are all 7 weeks in length. Missing one class session is allowed without penalty as long as all readings and assignments are made up by the student within a reasonable time period (the following week). Failing to log into an online course site for an entire week is allowed, but a penalty may be applied at the instructor's discretion. Missing a second class session is allowed only in unusual circumstances by prior arrangement with the instructor. Since this represents almost 30% of the engagement time for the course, the student runs the risk of receiving a lower overall grade for the class. Faculty are encouraged to drop the course grade by a full letter grade in this situation. A student who misses three classes (or the equivalent for an online class) will automatically fail the course, unless the student drops the course before the seventh week of class. Students who drop a course will be held responsible for tuition, based upon the current North Park University policy outlined in the University Catalog (found on the NPU website).

Attendance Policy for Undergraduate Courses

Attendance and participation are vital. Thus, students are expected to attend every class session and to arrive on time – tardiness is undesirable and disruptive to your fellow classmates. This course has a strict requirement of documented, advance notification. If you are unable to attend any class session, you are to inform me (preferably by email) ***prior to*** that session. You need to provide a reason for your absence.
Failure to provide advance notification will result in an unexcused absence. Be advised that poor attendance can affect your grade adversely

APA Requirement

The School of Business and Nonprofit Management (SBNM) has adopted the *Publication Manual of the American Psychological Association* (APA) as the standard and required format for all written assignments in SBNM courses.

Our goal in adopting the *APA Manual* is to enhance student learning by:

1) Improving student's writing skills.
2) Standardizing the required format of all written assignments in all SBNM courses.
3) Emphasizing the importance of paper mechanics, grammatical constructs, and the necessity of proper citations.
4) Holding students accountable for high quality written work.

If you are unfamiliar with the requirements of the *APA Manual*, we recommend that you purchase the reference manual and/or that you consult one or more of the suggested resources as listed on the Student Resources section of the SBNM website. ***It is your responsibility to learn and ensure that all written work is formatted according to the standards of the APA Manual.***

Students with Disabilities

Students with disabilities who believe that they may need accommodations in this class are encouraged to contact your program's office (Business: 773-244-6270). Please do so as soon as possible to better ensure that such accommodations are implemented in a timely manner. For further information please review the following website: http://www.northpark.edu/ada