

NEW YORK UNIVERSITY
ROBERT F. WAGNER GRADUATE SCHOOL OF PUBLIC SERVICE

P11.1021 FINANCIAL MANAGEMENT
Spring 2006
Professors Finkler and Calabrese

**YOU ARE RESPONSIBLE FOR MEETING ALL OF THE COURSE REQUIREMENTS
SET FORTH IN THIS DOCUMENT**

This syllabus is available on NYU's web-based on-line Blackboard system, at <http://classes.nyu.edu>. If you have not already done so, you should activate your NYU email account immediately. If this is not your primary email account, you can have your mail forwarded automatically from your NYU account to your primary account.

COURSE OBJECTIVES AND DESCRIPTION

The financial management core course, one of five required core courses at the Wagner School, has as its primary objective to teach you how to use financial information to make decisions in public, health, and not-for-profit organizations. Its secondary objectives are to provide a refresher for numerical and communication skills. It will also strengthen your spreadsheet skills. You must be familiar with a computer spreadsheet program to successfully complete many of the homework assignments for the course.

This course looks at financial management as a process. The process begins with the development of a plan for the future. The plan is then implemented. Actions are taken to control operations to keep to the plan. Results of operations are then reported, and those results are analyzed.

The first half of the course focuses on developing, implementing and controlling the plan. The course covers an introduction to financial management, the development of operating budgets, tools for short-term decision-making, capital-budgeting decisions, and the analysis of long-term financial options. Management of short-term resources and variance analysis are also covered in this half of the course. The material in the first half of the course is often referred to as managerial accounting.

The second half of the course focuses on summarizing, reporting on and analyzing an organization's financial position, and the results of its operations. This section covers the development of financial statements. There is heavy emphasis on how the information in financial statements can be used by managers. You will study theory and practice related to accounting principles, financial statements, financial analysis, and the unique aspects of accounting for not-for-profit, government, and health care organizations. We will consider how the information is presented, and how it can be used to provide meaningful conclusions about the financial position and performance of a public service organization. At the end of this section, you should be able to use an organization's financial statements to communicate about the financial health of the organization. This half of the course covers material often referred to as financial accounting.

NOTE: From time to time, the faculty may wish to communicate to you concerning course assignments. The communications will be sent out over the course's e-mail list-serve that is built into the Blackboard program. **You must have access to this course via Blackboard. If you do not, contact your instructor immediately! Check your e-mail at least once a week throughout the term. This is your responsibility. Important announcements** will also be posted to the course's Blackboard web-site at <http://classes.nyu.edu>. Please check Blackboard weekly.

If you miss a lecture or discussion session, it is your responsibility to obtain class notes from another class member and copies of any handouts that were distributed. Generally handouts will also be available on Blackboard.

Professors:

Steven Finkler

295 Lafayette Street – Room 3010

Phone: 212 998-7463

Email: steven.finkler@nyu.edu

Office Hours: Thursdays 11:00 AM – Noon, and by appointment.

Thad Calabrese

295 Lafayette Street – 3rd Floor

Phone: 212 998-7440

Email: tdc212@nyu.edu

Office Hours: To Be Announced.

Teaching Colleagues:

Todd Ely – Email: todd.ely@nyu.edu

Carmen Rogers – Email: cmr355@nyu.edu

Izabela Udorowiecki - Email: iau202@nyu.edu

Office Hours: Times and places will be announced in the discussion sessions.

Tutor:

Margot Asher – Email: asherm@nyu.edu

Ryan Greene – Email: rag348@nyu.edu

Olti Zejnati – Email:

Hours and locations: To Be Announced

PREREQUISITES: Computer spreadsheet proficiency.

METHODS OF INSTRUCTION

Lectures will meet for 170 minutes each week. These sessions will mix lecture, problems, case study and discussion teaching methods. Professors Finkler and Calabrese will teach the lectures.

In addition to the scheduled lectures, there are **optional** discussion sessions on Tuesdays, Thursdays, and Fridays on the dates and at the times shown below. The discussion sessions are each one-hour long. New material will **not** be introduced in these sessions. They are designed to enhance your understanding of material presented in the required class sessions. A Teaching Colleague (TC) will teach the discussion sessions. The discussion sessions will go over extra problems and will allow additional time for student questions and discussion. Attendance at the discussion sessions is not required.

The lectures will focus primarily on conceptual and analytical material. The book also contains descriptive material. Students are responsible for the descriptive material, even if it is not covered in class. In past semesters we have run out of time in the course. In order to try to allow adequate class time to discuss critical and difficult issues, we will rely heavily on you to read required chapters prior to class and to be familiar with the descriptive material in the chapters.

The schedule of lectures is as follows:

Week	Tuesday sections	Thursday section
1	Jan. 17, Class 1	Jan. 19, Class 1
2	Jan. 24, Class 2	Jan. 26, Class 2
3	Jan. 31, Class 3	Feb. 2, Class 3
4	Feb. 7, Class 4	Feb. 9, Class 4
5	Feb. 14, Class 5	Feb. 16, Class 5
6	Feb. 21, Class 6	Feb. 23, Class 6
7	Feb. 28 Midterm Exam	Mar. 2 Midterm Exam
8	Mar. 7, Class 8	Mar. 9, Class 9
9	Mar. 14, Spring Break	Mar. 16, Spring Break
10	Mar. 21, Class 9	Mar. 23, Class 9
11	Mar. 28, Class 10	Mar. 30, Class 10
12	Apr. 4, Class 11	Apr. 6, Class 11
13	Apr. 11, Class 12	Apr. 13, Class 12
14	Apr. 18, Class Cancelled	Apr. 20, Class 13
15	Apr. 25, Class 13	Apr. 27, Class 14
16	May 2, Class 14	
Final	May 9, Final Exam	May 4, Final Exam

Tuesday Students: Please note that May 2 is during the reading period, and we can't "officially" have a required class that day. Students who prefer may attend the Thursday April 27 session. If you prefer this option, please let Prof. Finkler know, so we can arrange for an adequately large room for that class.

The schedule of discussion sessions is as follows:

	Tuesday 3:30-4:30 PM	Thursday	Friday
Week	8:45-9:45 PM	Week 8:15-9:15 PM	Week 9:30-10:30 AM
1	Jan. 17 Class 1	1 Jan. 19 Class 1	1 Jan. 20 Class 1
2	Jan. 24 Class 2	2 Jan. 26 Class 2	2 Jan. 27 Class 2
3	Jan. 31 Class 3	3 Feb. 2 Class 3	3 Feb. 3 Class 3
4	Feb. 7 Class 4	4 Feb. 9 Class 4	4 Feb. 10 Class 4
5	Feb. 14 Class 5	5 Feb. 16 Class 5	5 Feb. 17 Class 5
6	Feb. 21 Class 6	6 Feb. 23 Class 6	6 Feb. 24 Class 6
7	Feb. 28 No Class 7 Midterm	7 Mar. 2 No Class 7 Midterm	7 Mar. 3 No Class 7 Midterm
8	Mar. 7 Class 8	8 Mar. 9 Class 8	8 Mar. 10 Class 8
9	Mar. 14 No Class Spring Break	9 Mar. 16 No Class Spring Break	9 Mar. 17 No Class Spring Break
10	Mar. 21 Class 9	10 Mar. 23 Class 9	10 Mar. 24 Class 9
11	Mar. 28 Class 10	11 Mar. 30 Class 10	11 Mar. 31 Class 10
12	Apr. 4 Class 11	12 Apr. 6 Class 11	12 Apr. 7 Class 11
13	Apr. 11 Class 12	13 Apr. 13 Class 12	13 Apr. 14 Class 12
14	Apr. 18 – No Class Class Cancelled	14 Apr. 20 Class 13	14 Apr. 21 Class 13 (for Thurs. students)
15	Apr. 25 Class 13	15 Apr. 27 Class 14	15. Apr. 28 Class 14 (for Thurs. students) 10:40-11:40 Class 13 (for Tuesday students)
16	May 2 Class 14 *	16 No Class	16. May 5 Class 14 (for Tuesday students) *
17	No Class – Final	17 No Class – Final	17. No Class – Final

Students in **Tuesday** lecture sections please note: In general the Friday discussion class meets the same week as your lecture class. However, the class cancellation on April 18 creates a slight scheduling conflict. On April 28, the appropriate Friday discussion class will meet from 10:40 – 11:40 AM instead of the normal 9:30-10:30 time. This is the only class affected by this time change.

* Note: This is during the reading or exam period. Students may attend the April 27 or April 28 discussion section if they prefer.

DISCUSSION SESSION ENROLLMENT

Students should attend a discussion session after the week's lecture, rather than before.

TEXTS, CLASS NOTES, CALCULATOR:**Required**

Text (Available at the NYU Professional Bookstore on LaGuardia Place): Steven A. Finkler, *Financial Management for Public, Health, and Not-for-Profit Organizations*, 2nd Edition, Prentice Hall, 2005. This is referred to as the “Required Text” in the course outline. There are numerous differences between the 1st and 2nd editions. **Do NOT buy the first edition.**

Students who plan to take additional finance courses at Wagner should retain this book as a reference. Certain chapters from this book may be assigned in courses such as P11.2842, P11.2142, P11.2143, P11.2844, and P11.4130.

Assignment Solutions

The faculty will post solutions to assigned problems on the Blackboard “Assignments” page in a folder titled “Solutions”. Solutions will be posted each week on Friday morning.

1021 Class Notes

Weekly class notes are available as Power Point files on the Blackboard web-site. It is highly advised that you print these notes out and bring them to class with you. One option is to print the notes from the Power Point files using the “Notes Pages” format. That allows room on each page for taking notes. You can do that by choosing the “Notes Pages” option from the PowerPoint “Print What” drop-down menu.

Calculator:

You are required to have a calculator that can do time value of money calculations. Please buy a Sharp EL-733A calculator if you do not have a calculator that can do time-value-of-money calculations. This calculator is available at the bookstore as well as locations such as Staples, Office Depot, Amazon.com, and J & R. Please be advised that the Professors, TC’s and Tutors will only be able to provide assistance with this calculator. Students using another calculator will be responsible for learning how to use it for time value of money calculations. NOTE: You should retain your calculator for future courses throughout the MPA curriculum.

Optional Texts:

Mary Munther, *Guide to Managerial Communication*, 6th Edition, (Englewood Cliffs, NJ: Prentice-Hall Inc., 2003). This may help you with the memo assignment.

Cleverley, William O. and Andrew Cameron, *Essentials of Health Care Finance*, Fifth Edition, Aspen Publishers, Gaithersburg, Maryland, 2002.

Emery, Douglas R., John D. Finnerty, and John D. Stowe, *Principles of Financial Management*, Prentice Hall, Upper Saddle River, NJ, 1998.

Finkler, Steven A., *Finance & Accounting for Nonfinancial Managers*, 3rd Edition, Aspen Publishers, New York, 2003.

Granof, Michael H., *Government and Not-for-Profit Accounting: Concepts and*

Practices, John Wiley & Sons, New York, 1998.

Horngrén, Charles T., Gary L. Sundem, and William O. Stratton, *Introduction to Management Accounting*, Eleventh Edition, Prentice Hall, Upper Saddle River, NJ, 1999.

Horngrén, Charles T. and Gary L. Sundem, *Introduction to Financial Accounting*, 7th Edition, Prentice Hall, Upper Saddle River, NJ, 1998.

Larkin, Richard E., *Wiley Not-for-Profit GAAP 98*, John Wiley & Sons, New York, 1998.

Razek, Joseph R., Gordon A. Hosch, and Martin Ives, *Governmental and Not-for-Profit Accounting*, Fourth Edition, Prentice Hall, Upper Saddle River, NJ, 2000.

Ruppel, Warren, *Wiley GAAP for Governments 98*, John Wiley & Sons, New York, 1998.

Stickney, Clyde P. and Roman L. Weil, *Financial Accounting: An Introduction to Concepts, Methods, and Use*, 8th Edition, Dryden Press, 1997.

COURSE REQUIREMENTS

1. We do not take attendance. However, you are responsible for all material presented and announcements made in all lecture class sessions. A weekly student count will take place in the discussion sessions so that we can better plan the number of sections needed in the future. However, individual attendance will not be recorded.
2. Complete all assignments and examinations on time. Except in rare instances, where arrangements are made in advance, work must be handed in by the due date to receive any credit. If you have to miss a class, you may either leave your assignment in your professor's mailbox before the scheduled class begins or fax it to his attention at 212-995-4162. **It is your responsibility to check that the fax has been received. Do not assume that sending the fax is sufficient.** Emailed assignments will **not** receive credit.
3. Please note that there will not be a make-up midterm or final examination.
4. Please note that there will not be any extra-credit assignments to raise your course grade. Your grade will be based on the requirements discussed in this document.
5. The Wagner School has a strict policy regarding incompletes. It is expected that all students will keep current with their work and will complete the course and receive the grade that has been earned. The grade of "Incomplete Pass" will only be available in extreme circumstances, such as those related to medical emergencies of a serious nature. Students may withdraw from the course up until the date set by the Registrar. Students who withdraw will receive a grade of W and will have to pay for the course again when they retake it.

GRADING

Written assignments: combined total 20% of grade.

Mid-term examination: 40% of grade.

Final examination: 40% of grade.

Discretion in grading may be exercised in cases where the professor believes it is appropriate.

Grades will be posted on the course's Blackboard web-site. This site is designed to allow individual students to access only their own grades. This will allow students faster access to their homework, midterm, final, and course grades.

WRITTEN ASSIGNMENTS

There are twelve written assignments. Make a copy of all assignments. Submit the original **AT THE BEGINNING OF CLASS** and also bring an extra copy to class. You may submit your written assignments **early** if you cannot make the class. Assignments that are not submitted in class should either be left in the professor's mailbox on the third floor of the Puck Building or faxed to the professor's attention at 212-995-4162. **You must confirm receipt of the fax with either your instructor or his assistant. You may not assume that once faxed it has been received. No emailed assignments will be accepted.**

You will receive no credit if your assignments are not turned in on time. Treat them as if they were assignments with a firm deadline at your job. Each of the written assignments is described in the course outline later in this syllabus. The assignments are designed to help you learn the course material and to help you learn how to write and think about financial management topics. **Assignments must be typed, printed on 8 ½" x 11" paper, and stapled!** We suggest that you compose the verbal parts of your assignments using a word processor such as Corel's Wordperfect or Microsoft Word, and the numerical portion using a spreadsheet program such as Lotus 123 or Excel. You should learn how to copy a spreadsheet and paste it into a word processing document, so that you submit one integrated document.

Except for the Memo, **assignments will NOT be returned.** Grading and commenting on numerical assignments is an extraordinarily time-consuming process. Unfortunately, we do not have the resources to thoroughly grade each student's work each week. Your homework submissions will be reviewed weekly to assess whether you have made an honest attempt to complete the entire assignment. If you have made a good attempt at the work, you will receive full credit. If we do not believe you make a good-faith effort, we will return your assignment noting why you did not receive full credit.

The finance faculty believe that students learn significantly more in this class if they complete the homework on a regular basis. This is a graduate course and students are expected to use the posted solutions to review their own work. We also believe that the process of self-evaluation – comparing your work to the suggested solution, both speeds/deepens the learning process. If you don't understand where you went wrong after reviewing your work against the posted solutions, please avail yourself of faculty office hours, TC sessions and tutors.

The major part of Assignment 5 is a memo, which will be graded for completeness and accuracy. It may take longer than the other homework assignments. You are encouraged to start this assignment early. It does not depend on the material from the earlier classes or chapters. **Note that the memo is expected to have a professional appearance.** A one-page memo is expected to be only one page. It should NOT have a cover page. **The font used should be a standard, readable size, no smaller nor denser than this font. 500 word maximum limit for this assignment!!!** You should allow margins of at least one inch at the top, bottom, left and right sides of your paper. Single-spaced means single-spaced. It means neither double-spaced, nor even space and a half. Points will be deducted if you do not follow these directions. Please don't lose points unnecessarily!

The Templates folder on the Blackboard "Assignments" page contains EXCEL templates for many of the homework problems. The templates will help you to approach and structure your solutions. You are encouraged to use the templates when provided. All numerical exercises and problems that are required to be submitted should be done using a spreadsheet program unless you are explicitly directed not to.

SUMMARY OF CLASS NUMBERS FOR ASSIGNMENTS AND EXAMS

<i><u>Assignment/Exam</u></i>	<i><u>% of Grade</u></i>	<i><u>Due</u></i>
Written Assignment #1	1	Class 2
Written Assignment #2	1	Class 3
Written Assignment #3	2	Class 4
Written Assignment #4	2	Class 5
Written Assignment #5	4	Class 6
Midterm Examination	40	Class 7
Written Assignment #6	1	Class 8
Written Assignment #7	2	Class 9
Written Assignment #8	1	Class 10
Written Assignment #9	2	Class 11
Written Assignment #10	1	Class 12
Written Assignment #11	2	Class 13
Written Assignment #12	1	Class 14
Final Exam	<u>40</u>	Class 15
Total	<u>100</u>	

REQUIRED COURSE COMMITMENT

To learn the material in this course, most of you will have to devote a minimum of ten hours per week to the course. The second half of this course is considered by many students to contain more difficult material than the first. **It is critical that students increase or at least maintain their effort following the midterm exam.** Please keep in mind that the material presented in the course build cumulatively. Do not fall behind. Most students find it very hard to catch up if they do.

COURSE OUTLINE

A number of reading assignments are listed as optional. Students who plan to be finance majors will find it helpful for future course-work if they read the optional material and complete the optional problems.

Note that homework is due for the first class. The Wagner School takes several different approaches to inform students enrolled in the course or on the waiting list of this homework. An announcement is made during new student orientation. A letter is mailed by first class mail to your home, a flyer is placed in your mail folder, and messages are sent out by email using your official NYU email address, the semester you are enrolled. We apologize if you did not receive any of these messages.

CLASS 1: INTRODUCTION TO FINANCIAL MANAGEMENT; BUDGETING.

Class one provides an introduction to accounting and financial management. We will address questions like. What are not-for-profit, health and government organizations? Why do they exist? What is the role of financial management? We will also talk about mission statements and learn to prepare operating, cash and capital budgets.

Reading Due for Class 1: Preface, Chapter 1 and Chapter 2 up to Case Study on page 59, and pages 68-69. (Optional: Chapter 1 Appendix , Chapter 2 pages 59-68).

Complete for Class 1: Chapter 1: 1-1 to 1-8 and Chapter 2: 2-1 to 2-12. (Optional: Chapter 2: Problems 2-17 and 2-18.)

Class 1 Discussion Session: Problems 2-17 and 2-18 will be solved to give extra background before doing your homework for Class 2. Open question-and-answer discussion of Chapters 1 and 2.

CLASS 2: ADDITIONAL BUDGETING CONCEPTS; UNDERSTANDING COSTS

Line-item, responsibility-center and program budgets; performance budgeting, cost/benefit analysis; flexible budgeting; zero-based budgeting, political aspects of budgeting, other issues related to governmental budgeting. Basic cost concepts, cost behavior, break-even analysis, relevant costs.

Reading Due for Class 2: All of Chapter 3. (Optional: Appendix 3-A); Chapter 4 up to the middle of page 144. (Optional: Appendix 4-A).

Complete for Class 2: Chapter 2: 2-14, 2-15, 2-19, 2-20 and Chapter 3: 3-1 to 3-15. (Optional: Problems 3-24, 4-12 to 4-16, and 4-19).

Submit Class 2: Written Assignment #1 (1% of course grade): Problems 2-14, 2-15, 2-19, and 2-20 are due at the **beginning** of Class 2. **Solutions will NOT be graded for correctness. Solutions will not be returned.** You will receive 1 percent if you make a good faith effort to solve all of the problems. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the solutions are discussed. Your homework should be typed – we suggest you do them in Excel and print them out directly.

Class 2 Discussion Session: Open question-and-answer discussion of Chapters 3 and 4. Review of solutions to Problems 3-24, 4-12 to 4-16, and 4-19.

CLASS 3: CAPITAL BUDGETING: Discounted cash flow – time-value-of-money concepts; Techniques for long-term decision-making.

Complete for Class 3: Chapter 4: 4-1 to 4-7 and Mead Meals on Wheels: Part I (page 164), problems 1 and 2. (Blackboard Case: Taos Case Study is optional).

Reading Due for Class 3: Chapter 5 through page 197, and Appendix 5-B. (Appendix 5-A is optional).

Submit Class 3: Written Assignment #2 (1% of course grade): Case: Mead Meals Part I, Problems 1 and 2 – due at the **beginning** of Class 3. The assignment will NOT be graded for correctness. You will receive 1 percent if you make a good faith effort to solve the problems. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the solutions are discussed.

Class 3 Discussion Section: Open question-and-answer discussion of Chapters 4 and 5. Review of solutions to text problems from Chapter 4, not covered last week. Review of Blackboard Case: Taos Case Study.

CLASS 4: CAPITAL BUDGETING, continued

Complete for Class 4: Chapter 5: 5-1 to 5-6, 5-8 to 5-10, 5-16 to 5-22 and 5-25 to 5-34. Note: To reduce the amount of time this takes the instructions in the book are adjusted as follows: You do **not** have to use the time-value-of-money tables to solve any of these problems. Provide a solution for 5-17 and 5-18 based only on formulas. You do not have to solve them using a calculator or Excel. Solve 5-19 to 5-22 just using a calculator. Solve 5-25 to 5-27 and 5-29 to 5-34 only using a calculator. If you would like, you may check your work with a computer spreadsheet. You do not have to use formulas or Excel. Solve 5-28 (a-f) using a spreadsheet such as Excel. You may check with a calculator if you like.

Reading for Class 4: Read Chapter 5 pages 197 to the end of the chapter (Appendix 5-A is optional.)

Submit Class 4: Written Assignment #3 (2% of grade): Chapter 5: 5-16 to 5-34. Due at the **beginning** of Class 4. These should be notes you have prepared to enable you to participate actively in class. They will not be graded for correctness of the solution. You will receive 2% if you make a good faith effort to solve the problem. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the solutions are discussed.

Class 4 Discussion Section: Open question-and-answer discussion of Chapter 5. Complete review of Taos Case Study. Review of use of calculator for Time Value of Money Computations. Review of Exercises 5-16 to 5-24 and Problem 5-28.

CLASS 5: LONG-TERM FINANCING: Long-term financing, bonds, mortgages.

Complete for Class 5: Chapter 5: 5-11 to 5-15, 5-23, 5-24, 5-38 to 5-43; and Mead Meals Part II Problems 3 and 4. (Problems 5-39 to 5-41 are optional).

Submit Class 5: Written Assignment # 4 (2% of course grade): Mead Meals on Wheels: Part II, Problems 3 and 4. Due at the **beginning** of Class 5. The answer to Mead Meals on Wheels Part II will NOT be graded for correctness. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the solutions are discussed.

Class 5 Discussion Section: Open question-and-answer discussion of Chapter 5. Review of Problems 5-38 to 5-43.

CLASS 6: MANAGING SHORT-TERM RESOURCES AND OBLIGATIONS, VARIANCE ANALYSIS: Implementation of plans; managing the current assets and current liabilities of the organization; controlling results to achieve plans.

Reading for Class 6: Chapters 6 and 7 (Appendices optional.)
Complete for Class 6: Chapter 6: 6-1 to 6-22; and Problems: 6-24, 6-25; Chapter 7: 7-1 to 7-22; and Problems: 7-23, 7-27, and 7-28. (Problem 7-26 is optional);
Submit Class 6: Written assignment #5 (4% of grade). Problems: 7-27 and 7-28 **and** the memo assignment.

MEMO: 1 page, typed, single-spaced. 500 word maximum limit! No cover page! Margins at least 1 inch all around and FONT no smaller or denser than this font. Chapter 6 Case Study, The Case of the Missing Check. This will be graded based on its overall quality including presentation, ideas, completeness, clarity and so on. You will **not** receive full credit for just making a reasonable effort to complete the assignment.

Class 6 Discussion Section: Open question-and-answer discussion of Chapters 1-7. Review Problem 7-28. Go over practice midterm exams.

CLASS 7: MIDTERM EXAM CHAPTERS 1-7. 40% OF COURSE GRADE

CLASS 8: TAKING STOCK OF WHERE YOU ARE: THE BALANCE SHEET: Introduction to financial accounting and financial statements. The fundamental equation of accounting. Assets, liabilities, and net assets. Recording and reporting results. The FASB and the GASB and GAAP. [Midterms will be returned in the lecture section and discussed in the Discussion Section.]

Reading for Class 8: Chapter 8. (Appendix 8-A is optional.)
Complete for Class 8: Chapter 8: 8-1 through 8-15 and 8-18 to 8-20.
Submit: Written assignment #6 (1% of course grade). Submit your answers to discussion questions 8-1 to 8-15, 8-18 to 8-20. Due at the **beginning** of Class 8. They will not be graded for correctness of the solution. You will receive 1% if you make a good-faith effort to answer the questions. Be sure to put your name on your assignment.

Class 8 Discussion Section: Open question-and-answer discussion of Chapter 8. Review solutions to the midterm exam.

CLASS 9: THE BALANCE SHEET CONTINUED; REPORTING THE RESULTS OF OPERATIONS: THE OPERATING STATEMENT: The operating statement. Transactions that generate revenues or expenses.

Complete for Class 9: 8-23 to 8-25.

Reading for Class 9: Chapter 9 through page 366.

Submit Class 9: Written assignment #7 (2% of course grade). 8-23 to 8-25.

Due at the **beginning** of Class 9. These should be notes you have prepared to enable you to participate actively in class. **They will not be graded for correctness of the solution.** You will receive 2% if you make a good-faith effort to solve the problem. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the solutions are discussed.

Class 9 Discussion Section: Open question-and-answer discussion of Chapters 9. Review old final exam problem on recording transactions and preparing balance sheets and activity statements.

CLASS 10: REPORTING THE RESULTS OF OPERATIONS, CONTINUED: THE CASH FLOW STATEMENT: The cash-flow statement.

Complete for Class 10: Chapter 9: 9-1 to 9-15, 9-17.

Reading for Class 10: Chapter 9 from page 366 to the end of the chapter. (Appendices 9-A through 9-D optional.)

Submit: Written assignment #8 (1% of course grade). 9-1 to 9-15.

Due at the **beginning** of Class 10. These should be notes you have prepared to enable you to participate actively in class. They will not be graded for correctness of the solution. You will receive 1% if you make a good-faith effort to solve the problem. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the solutions are discussed.

Class 10 Discussion Section: Open question-and-answer discussion of Chapters 9. A Cash-Flow Statement from an old final exam will be reviewed in detail.

CLASS 11: UNIQUE ASPECTS OF ACCOUNTING FOR HEALTH CARE, NOT-FOR-PROFIT AND GOVERNMENT ORGANIZATIONS: Accounting for not-for-profit organizations, fund accounting, depreciation, donations, investments, health care accounting. Reporting objectives, reporting entity, fund accounting, modified accrual basis of accounting, government financial statements.

Complete for Class 11: Chapter 9: 9-16.

Reading for Class 11: Chapter 10 (Appendix 10-A is optional); Chapter 11 through page 452.

Submit Class 11: Written Assignment #9 (2 % of course grade). Problems 9-16 to 9-17. Due at the **beginning** of Class 11. These should be notes you have prepared to enable you to participate actively in class. They will not be graded for correctness of the solution. You will receive 2% if you make a good-faith effort to solve the problem. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the solutions are discussed.

Class 11 Discussion Section: Open question-and-answer discussion of Chapters 8-10. Review old final exam questions on LIFO FIFO and accounting for NFP organizations.

CLASS 12: UNIQUE ASPECTS OF GOVERNMENT ACCOUNTING, CONTINUED: Reporting objectives, reporting entity, fund accounting, modified accrual basis of accounting, government financial statements.

Complete for Class 12: Chapter 10: 10-1 to 10-16. Chapter 11: 11-1 to 11-9, Problem 11-10 (journal entries optional).

Reading for Class 12: Chapter 11: pages 452-489 (Appendices 11-A and 11-B optional.)

Submit Class 12: Written Assignment #10 (1 % of course grade). Problem 11-10. Due at the **beginning** of Class 12. These should be notes you have prepared to enable you to participate actively in class. They will not be graded for correctness of the solution. You will receive 1% if you make a good-faith effort to solve the problem. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the solutions are discussed.

Class 12 Discussion Section: Open question-and-answer discussion of Chapter 11. General discussion of Government accounting.

CLASS 13: FINANCIAL STATEMENT ANALYSIS: Financial statement review, audit letter, notes that accompany financial statements, ratio analysis and assessment.

Complete for Class 13: Chapter 11: 11-11 . (Problems 11-12 and 12-10 are optional).
Reading for Class 13: Chapters 12 and 13.
Submit Class 13 Written assignment #11 (2% of course grade): Financial Statement Analysis. Read the financial statements and notes for the Major Medical Center (MMC) case at the end of Chapter 12 in the Required Text. Download the spreadsheet containing the financial statements for MMC and use that spreadsheet to calculate the common size ratios for the Statement of Financial Position (using total assets as the common-size-ratio denominator), the Activity Statement (using total revenue as the common-size-ratio denominator), and the Cash-Flow Statement (using operating cash flow as the common-size-ratio denominator). After reviewing the notes and the ratios, prepare a summary of the red-flag issues that you see. **You must use a spreadsheet to calculate the ratios. Hand-calculated ratios will not receive credit.** Be sure to use “absolute cell addresses in calculating the ratios. Refer to information on the course’s Blackboard web-site for more information on absolute addresses. You will receive 2% if you use a spreadsheet to do the calculations and make a good faith to calculate the ratios. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the case is discussed.

Class 13 Discussion Section: Open question-and-answer discussion of Chapter 11. Review Problem 11-12 and 12-10.

CLASS 14: FINANCIAL STATEMENT AND FINANCIAL CONDITION ANALYSIS:

Measures of financial condition, liquidity, solvency, efficiency, risk and capacity.
Discussion of the MMC case.

Reading for Class 14: MMC Case at end of Chapter 12.

Complete for Class 14: Chapter 12: 12-1 to 12-9; Chapter 13: 13-1 to 13-9; 12-11 MMC case.
(Optional: Problem 12-10).

Submit Class 14: Written Assignment #12 (1% of course grade): Financial Statement Analysis assignment. Due at the **beginning** of Class 14. In light of your analysis and the case discussion in class 13, prepare a listing of key issues about MMC that you would include if you were writing a memo on MMC's financial condition. Highlight four key issues you feel are critical for their success. The MMC case-notes should enable you to participate actively in the class discussion of the case. They will not be graded for correctness. You will receive 1% if you make a good-faith effort to solve the problem. Be sure to put your name on your solutions and to bring an extra copy to class to look at as the solutions are discussed.

Class 14 Discussion Section: Open question-and-answer discussion of Chapters 8-13. Review old exams.

CLASS 15: FINAL EXAMINATION, 40% of course grade.

GUIDELINES FOR COURSE GRADES

The following descriptive statements are guidelines for the assignment of grades to graduate students and have been endorsed by the faculty.

Grade	Interpretative Statement
A	(Excellent) Exceptional work for a graduate student. Work at this level is unusually thorough, well reasoned, methodologically sophisticated, and well written. Work is of exceptional, professional quality.
A-	(Very Good) Strong work for a graduate student. Work at this level shows some signs of creativity, is thorough and well reasoned, indicates strong understanding of appropriate methodological or analytical approaches, and meets professional standards.
B+	(Good) Competent and sound work for a graduate student; well reasoned and thorough, methodologically sound, but not especially creative or insightful or technically sophisticated. This is the graduate student grade that indicates the student has accomplished the objectives of the course, with neither unusual strength nor exceptional weakness.
B	(Adequate) Proficient work for a graduate student even though some weaknesses are evident. Moderately thorough and well reasoned, demonstrating competency in the key course objectives but showing some indication that understanding of some important issues is less than complete. Methodological or analytical approaches used are adequate but student has shown one or more weaknesses or limitations.
B-	(Borderline) Weak work for a graduate student; meets the minimal expectations for a graduate student in the course; understanding of salient issues is somewhat incomplete, methodological or analytical work performed in the course is minimally adequate. Overall performance if consistent in graduate courses, would not suffice to sustain graduate status in "good standing."
C	(Deficient) Inadequate work for a graduate student; does not meet the minimal expectations for a graduate student in the course. Work is inadequately developed or flawed by numerous errors and misunderstanding of important issues. Methodological or analytical work performed is weak and fails to demonstrate knowledge or technical competence expected of graduate students.
F	(Fail) Work fails to meet even minimal expectations for course credit for a graduate student. Performance has been consistently weak in methodology and understanding, with serious limits in many areas. Weaknesses or limits are pervasive.