NEW YORK UNIVERSITY
ROBERT F. WAGNER
GRADUATE SCHOOL OF PUBLIC SERVICE
PADM-GP 4128
FINANCIAL STATEMENT ANALYSIS
FOR HEALTH CARE, HIGHER EDUCATION AND
NOT-FOR-PROFIT ORGANIZATIONS
Spring 2015
Instructor: John Nelson
John.nelson@moodys.com
212-553-4096

Financial Statement Analysis for Health Care and Not-For-Profit Organizations is a seven-session, two-credit elective course at the Wagner School.

A required prerequisite for this course is Financial Management For Public, Health, And Not-For-Profit Organizations.

This course assumes that the student have a fundamental understanding of the financial statement concepts. The primary objective of this course is to familiarize you with not-for-profit financial statements, as well as ratios and other analytical tools that are used to draw conclusions about the financial health of hospitals and universities. This course focuses on highly applied techniques utilized by finance professionals. Course material is presented in the form of prepared materials posted to the class website; class discussion will present additional material critical to understanding applied analytical tools. Therefore class attendance is strongly recommended.

This course will take you through the type of line-by-line, detailed analysis of health care, university and other non-profit organizations’ financial statements conducted by finance professionals within the healthcare, higher education and not-for-profit sectors, as well as those professionals who regulate, evaluate and lend to these sectors. Governmental scrutiny of not-for-profit organizations has increased in recent years and this class will explore the major policy and financial questions behind this scrutiny. It will also enable you to understand not-for-profit accounting and financial reporting practices to help prepare you for analytical careers in the private, public or not-for-profit sectors.

COURSE FACULTY
This course is taught by John Nelson, Adjunct Assistant Professor at Wagner. Mr. Nelson is Managing Director for Research at Moody’s Investors Service. You can reach Mr. Nelson at 212-553-4096 or by email at john.nelson@moodys.com.

MISSED CLASSES
If you miss a class, it is your responsibility to obtain a copy of any materials discussed in class. Copies of class materials may be obtained from the course’s web-site.
<table>
<thead>
<tr>
<th>Class #</th>
<th>Lecture Dates</th>
<th>Lecture Topic</th>
<th>Day &amp; Time</th>
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<tbody>
<tr>
<td>1</td>
<td>March 26</td>
<td>Context of NFP Organizations Financial Analysis: Stakeholders &amp; Intro to Financial Statement Analysis</td>
<td>Thursday, 6:45–8:25 pm</td>
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<tr>
<td>3</td>
<td>April 2</td>
<td>Hospital &amp; University Balance Sheets-Intro to Ratios</td>
<td>Thursday, 6:45–8:25 pm</td>
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<td>4</td>
<td>April 9</td>
<td>Hospital &amp; University Income &amp; Cash Flow Statements: Intro to Ratios/ Take Home Midterm</td>
<td>Thursday, 6:45–8:25 pm</td>
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<tr>
<td>5</td>
<td>April 16</td>
<td>Detailed Hospital Financial Statement Analysis: Review of Key Ratios &amp; Interpretation/ Midterm Graded</td>
<td>Thursday, 6:45–8:25 pm</td>
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<tr>
<td>6</td>
<td>April 23</td>
<td>Detailed University Financial Statement Analysis: Review of Key Ratios &amp; Interpretation</td>
<td>Thursday, 6:45–8:25 pm</td>
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<tr>
<td>7</td>
<td>April 30</td>
<td>Review &amp; Comparing Hospital &amp; University Financial Ratios &amp; Risk Assessment Take Home Final</td>
<td>Thursday, 6:45–8:25 pm</td>
</tr>
<tr>
<td>8</td>
<td>May 7</td>
<td>No class unless necessary Final Graded and Class Grades posted</td>
<td>Thursday, 6:45–8:25 pm</td>
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**METHODS OF INSTRUCTION**
The lecture class for this course will meet once each week at the above times. Your course instructor John Nelson will teach these sessions. All class sessions will focus primarily on conceptual and analytical material presented by the instructor. Students are responsible for the material discussed in class and available on class website.

**PREREQUISITES:** A required prerequisite for this course is Financial Management For Public, Health, And Not-For-Profit Organizations. Excel spreadsheet capability is required for this course.

**COURSE REQUIREMENTS**
1. We do not take attendance. However, you are responsible for all material presented and announcements made in all lecture class sessions.
2. Two exams—a midterm and final--will be required to be emailed by the student. These assignments will be graded and an in-class discussion of these problems will take place at the beginning of the class following the session the assignments are given. The exams are take home exams.

3. Please note that there will not be a make-up final examination.

4. 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**

Mid Term: 50% of grade.
Final examination: 50% of grade. Option of 100% if midterm is not counted.
In-class participation is encouraged and will be recognized. Discretion in grading will be exercised in cases where the professor believes appropriate.

Grades will be posted on the course’s web-site. This site is designed to allow individual students to access only their own grades. This will allow students faster access to their midterm, final, and course grades. See the Wagner policy statement on grading at the end of this syllabus.

**Wagner Graduate School of Public Service:**

**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.