


NYU
**ROBERT F. WAGNER GRADUATE
SCHOOL OF PUBLIC SERVICE**

CORE-GP 1021

Financial Management

Fall 2018

Course Description

In this introductory core course in financial management, students will learn the fundamentals of budgeting and accounting for public, health, and not-for-profit organizations. Through readings, lectures, real-world case studies, and assignments, students will gain an understanding of how to use financial information in organizational planning, implementation, control, reporting, and analysis. In addition, students will develop their spreadsheet skills by using Microsoft Excel to perform financial calculations and create financial documents.

The first half of the course focuses on **managerial accounting**, a set of tools used by managers for internal planning, implementation, and control. Topics in this portion of the course include operating budgets, cash budgets, break-even analysis, cost allocation, variance analysis, the time value of money, capital budgeting, and long-term financing.

The second half of the course focuses on **financial accounting**, a set of tools used by managers and external observers for reporting on and analyzing an organization's financial position and performance. Topics in this portion of the course include the preparation and analysis of financial statements (balance sheet, activity statement, and cash flow statement), ethics in financial management, government accounting, and government financial condition analysis.

Professors

Name	Email	Office Location	Office Hours
Travis St.Clair	travis.stclair@nyu.edu	Puck 3048 (3rd Floor)	Wednesdays, 2:00-3:30pm, or by appointment. (Sign up at calendly.com/travis-stclair)
Martha Stark	martha.stark@nyu.edu	Puck 3040C (3rd Floor)	Tuesdays and Thursdays, 2:00-5:00pm
Mike West	mike.west@nyu.edu	Puck 2101 (2nd Floor)	By appointment

Teaching Colleagues (TC)

Name	Email
Anu Gupta (Head TC)	ag5095@nyu.edu
Noah Branman	noah.branman@nyu.edu
Chai Jindasurat	cfj229@nyu.edu

Tutors

Name	Email	Location	Day and Time
Preston Dula	pgd243@nyu.edu	Bobst, Room LL140	Sundays, 1:00 – 3:00 pm
Selina Shen	selina.shen@nyu.edu	The Study, Puck 3024	Mondays, 1:00 – 3:00 pm
Laura Maschler	lm3770@nyu.edu	Jersey Conference Room, Puck 3025	Mondays, 6:00 – 8:00 pm

Course Prerequisites

The only prerequisite for this course is a basic familiarity with Excel. If you have limited or no experience using Excel, we strongly recommend that you register for the Excel computer module (NONCR-GP 932), which meets for several weeks at the beginning of the semester. Please note that it is up to students to determine whether or not they are familiar with Excel; taking the Excel computer module is not a prerequisite for enrollment in this course.

Course Objectives

By the conclusion of the semester, students will learn to:

1. Prepare organizational budgets on the accrual and cash bases of accounting.
2. Make resource allocation and pricing decisions using break-even analysis, the time value of money, cost allocation, and variance analysis.
3. Prepare balance sheets, activity statements, and cash flow statements using Generally Accepted Accounting Principles (GAAP) for not-for-profit and healthcare organizations, and analyze these statements.
4. Interpret and analyze governmental financial statements that have been prepared on the accrual and modified accrual bases of accounting.
5. Use Microsoft Excel to prepare financial statements and perform financial analyses.

Learning Assessment Table

Corresponding Course Learning Objective	Corresponding Assignments
#1	HW # 1-3, Midterm
#2	HW # 2-5, Midterm
#3	HW # 6-11, Final
#4	HW # 12, Final
#5	HW # 1-12, Midterm, Final

Course Materials

The textbook for this course is: Finkler et al., **Financial Management for Public, Health, and Not-for-Profit Organizations**, Fifth Edition (2016), CQ Press/Sage Publishing, ISBN: 1506326849. This book is available at the NYU Bookstore located at 726 Broadway and on Amazon.com. **Do not buy an earlier edition.** If you do not wish to buy the textbook, there are several copies on reserve at Bobst Library. Students who plan to take additional finance courses should retain this book as a reference.

Course Website

The course website can be found on the NYU Classes system, accessible via the “Academics” tab on [NYU Global Home](http://globalhome.nyu.edu) (<http://globalhome.nyu.edu>). Throughout the semester, we will post documents such as lecture slides, homework solutions, and practice exams to this site. In addition, we will occasionally send emails about course logistics to your NYU email account. Therefore, you should check both the course website and your NYU email account on a regular basis.

Course Rules and Requirements

1. **To do well in this course, most students need to devote a minimum of ten hours per week** (three hours of lecture, one hour of discussion session, and about six hours of reading, studying, and working on assignments). Please keep in mind that the material presented in the course builds cumulatively. Do not fall behind. Students who fall behind find it very hard to catch up.
2. **If you need to miss class, you do not need to notify your professor.** We do not take attendance; however, you are responsible for finding out what you missed—including any announcements made in class—from one of your classmates. If possible, you

should try to attend a different lecture that week. You do not need to ask for permission from the professor of the lecture you plan to attend.

3. **There are no extra credit assignments and no make-up exams.** Please note the dates of the midterm and final exams on the following page; if you have a conflict do not enroll in the course at this time. NYU's Calendar Policy on Religious Holidays states that members of any religious group may, without penalty, absent themselves from classes when required in compliance with their religious obligations. Please notify your instructor in advance of religious holidays that might coincide with exams to schedule mutually acceptable alternatives.
4. **If you have a logistical question, please check the syllabus and website.** You can find the answer to almost every conceivable question there. For any remaining questions, please contact the Head TC.
5. **The Wagner School has a strict policy regarding incompletes.** The grade of "Incomplete Pass" will only be available in extreme circumstances such as serious medical emergencies. 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.

Academic Integrity

Academic integrity is a vital component of Wagner and NYU. All students enrolled in this class are required to read and abide by [Wagner's Academic Code](#). All Wagner students have already read and signed the [Wagner Academic Oath](#). Plagiarism of any form will not be tolerated and students in this class are expected to report violations to me. Every student is expected to maintain academic integrity and is expected to report violations to their instructor. If you are unsure about what is expected of you, you should ask.

Grading

Your course grade will be determined as follows:

1. Homework Assignments - 20%
2. Midterm Examination - 40%
3. Final Examination - 40%

Homework Assignments

There are a total of **12 assignments**, each worth 1% to 2% of your course grade. **Assignments are graded on the basis of completeness rather than accuracy.** If you complete the entire assignment, you will receive full credit even if your work contains errors. If you do not complete the entire assignment, you will not receive full credit.

Assignments are to be submitted online via NYU Classes before lecture. Assignments and templates (when applicable) can be found on NYU Classes. **Assignments will not be accepted by email, nor will they be accepted during or after lecture.** Late assignments will not receive any credit except in extreme circumstances, such as serious medical emergencies.

You must complete the quantitative parts of your assignments in Excel and the written parts in Excel or Word. Templates will be provided for some assignments (posted on NYU Classes).

Each student must write and submit his or her own assignments. We encourage you to work on the assignments in small groups, but two or more students turning in identical homework assignments constitutes cheating and will be reported to the administration and subject to disciplinary action.

Exams

The midterm and final exam will each last two hours and thirty minutes. Students will complete the exams and submit them via NYU Classes during their normal class time; however, students may take the exams in any location and are not required to be at NYU. These are open book tests; however, students will find it useful to also prepare a summary sheet of notes for use during each exam. During each exam time, a teaching colleague will be available to answer clarifying questions via the chat function in NYU Classes or via email. More detailed instructions will be discussed closer to each exam. Students without access to a computer have two options. First, students may borrow laptops from the Library Computer Center located on Lower Level 1 of Bobst Library. Second, Bobst Library has a computer lab located on Lower Level 2 that is open 24 hours per day.

Henry and Lucy Moses Center for Students with Disabilities at NYU

Academic accommodations are available for students with disabilities. Please visit the [Moses Center for Students with Disabilities \(CSD\) website](#) and click on the Reasonable Accommodations and How to Register tab or call or email CSD at (212-998-4980 or mosescsd@nyu.edu) for information. Students who are requesting academic accommodations should contact both the Head TC and the Moses Center as early as possible in the semester to make arrangements.

NYU's Calendar Policy on Religious Holidays

[NYU's Calendar Policy on Religious Holidays](#) states that members of any religious group may, without penalty, absent themselves from classes when required in compliance with their religious obligations. Please notify your instructor in advance of religious holidays that might coincide with exams to schedule mutually acceptable alternatives.

Lectures

Lectures will meet on the following dates:

Instructor	Professor St. Clair	Professor West	Professor Stark
Day	Wednesdays	Wednesdays	Thursdays
Time	9:30 am – 12:15 pm	6:45 pm – 9:30 pm	6:45 pm – 9:30 pm
Location	Meyer Hall 122	Bobst, LL-139	Meyer Hall 122
Class 1	September 5	September 5	September 6
Class 2	September 12	September 12	September 13
Class 3	September 19	September 19	September 20
Class 4	September 26	September 26	September 27
Class 5	October 3	October 3	October 4
Class 6	October 10	October 10	October 11
Class 7 – Midterm	October 17	October 17	October 18
Class 8	October 24	October 24	October 25
Class 9	October 31	October 31	November 1
Class 10	November 7	November 7	November 8
Class 11	November 14	November 14	November 15
No Class – Thanksgiving	November 21	November 21	November 22
Class 12	November 28	November 28	November 29
Class 13	December 5	December 5	December 6
Class 14	December 12	December 12	December 13
Class 15 – Final Exam	December 19	December 19	December 20

Discussion Sessions

In addition to the lectures, there are optional one-hour discussion sessions (CORE-GP 1021, Sections 004-007) led by Teaching Colleagues (TCs). **IMPORTANT:** You may attend the discussion session of your choice, but you may only attend **after** attending the week's lecture. Discussion sessions are designed to help prepare you for the homework assignments. Discussion sessions will meet on the following dates:

Teaching Colleague	Anu Gupta	Chai Jindasurat	Anu Gupta	Noah Branman
Day	Thursdays	Thursdays	Fridays	Mondays
Time	12:30 pm – 1:30 pm	9:35 pm – 10:35 pm	3:30 pm – 4:30 pm	8:45 pm – 9:45 pm
Location	60 Fifth Ave, Room 110	Silver 208	Silver 208	Silver 208
Class 1	September 6	September 6	September 7	September 10
Class 2	September 13	September 13	September 14	September 17
Class 3	September 20	September 20	September 21	September 24
Class 4	September 27	September 27	September 28	October 1
Class 5	October 4	October 4	October 5	<i>None</i>
Class 6	October 11	October 11	October 12	October 15
Class 7 – Midterm	None	None	None	None
Class 8	October 25	October 25	October 26	October 29
Class 9	November 1	November 1	November 2	November 5
Class 10	November 8	November 8	November 9	November 12
Class 11	November 15	November 15	November 16	November 19
No Class – Thanksgiving	November 22	November 22	November 23	November 26
Class 12	November 29	November 29	November 30	December 3
Class 13	December 6	December 6	December 7	December 10
Class 14	December 13	December 13	December 14	December 17

Course Outline

Reading assignments must be completed before each lecture. (Note that you have a reading assignment for the first class!) You are not required to read the chapter appendices unless specifically noted below. Handout readings can be found on the course website.

Homework assignments consist primarily of analytical problems based on the previous week's readings and lecture, but also include a few short-answer questions about the current week's readings. All assignments can be found on the course website. Solutions will be posted each week after the last lecture has met (Thursday nights).

Discussion session practice problems are designed to help you prepare for the homework assignments. Your TC will bring copies of all practice problems to discussion session, so you do not need to bring your textbook, but the problems are listed below in case you either want to start thinking about them in advance or you cannot make it to discussion session and want to solve the problems on your own. Most problems are from the textbook, but in a few cases they are from handouts distributed in discussion session and posted on the website.

CLASS 1

Topics Covered:

- Operating Budgets
- Cash Budgets

Read before class:

- Chapter 1
- Chapter 2
- "Excel Tips, Part 1" handout

Discussion session:

- Practice problems: handout

CLASS 2:

Topics Covered:

- Flexible Budgets
- Break-Even Analysis

Read before class:

- Chapter 3 up to p. 87 (up to Performance Budgeting)
- Chapter 4 up to p. 145 (up to Cost Measurement)
- Appendix 4-A

Homework #1 due:

- Jobs University (2% of course grade)

Discussion session:

- Practice problems: 3-23, 4-41, handout

CLASS 3:

Topics Covered:

- Cost Allocation
- Variance Analysis

Read before class:

- Chapter 4 from p. 145-end (from Cost Management)
- Chapter 8 up to p. 299 (up to Ethics)

Homework #2 due:

- QwikShare (2% of course grade)

Discussion session:

- Practice problems: 8-27, 8-29, handout

CLASS 4:

Topics Covered:

- Time Value of Money

Read before class:

- Chapter 5 up to p. 190 (up to Capital Asset Investment Analysis)
- Appendices 5-A and 5-B
- “Excel Tips, Part 2” handout
- “New York State Lottery” handout

Homework #3 due:

- Dearborn Center (2% of course grade)

Discussion session:

- Practice problems: 5-14 through 5-20

CLASS 5:

Topics Covered:

- Capital Budgeting
- Long-Term Financing

Read before class:

- Chapter 5 from p. 190-end (from Capital Asset Investment Analysis)
- Chapter 6

Homework #4 due:

- Investment Management (2% of course grade)

Discussion session:

- Practice problems: 5-32, 5-34, 5-36, 5-37, 6-18

CLASS 6:

Topics Covered:

- Midterm Exam Review
- Case Studies

Read before class:

- Case Study Handouts

Homework #5 due:

- Harper Hospital (2% of course grade)

Discussion session:

- Practice problems: handout

CLASS 7: MIDTERM EXAM**CLASS 8:**

Topics Covered:

- The Balance Sheet

Read before class:

- Chapters 7
- Chapter 9

Homework #6 due:

- City Cares (1% of course grade)

Discussion session:

- Practice problems: 9-27, 9-28, 9-29

CLASS 9:

Topics Covered:

- The Activity Statement

Read before class:

- Chapter 10 up to p. 371 (up to The Statement of Cash Flows)

Homework #7 due:

- Forever Friends Rescue (1% of course grade)

Discussion session:

- Practice problems: 10-16, 10-17 (balance sheet & activity statement), 10-19

CLASS 10:

Topics Covered:

- Accounting for Not-For-Profit and Health Organizations
- Ethics in Financial Management

Read before class:

- Chapter 11 and Chapter 8 from p. 299-end (from Ethics)

Homework #8 due:

- Child's Play, Part I (2% of course grade)

Discussion session:

- Practice problems: handout

CLASS 11:

Topics Covered:

- The Cash Flow Statement

Read before class:

- Chapter 10 from p. 371-end (from The Statement of Cash Flows)

Homework #9 due:

- Second Chance Bakery, Part I (2% of course grade)

Discussion session:

- Practice problems: cash flow statements for 10-17 and WPR Public Radio

CLASS 12:

Topics Covered:

- Financial Statement Analysis

Read before class:

- Chapter 14

Homework #10 due:

- Child's Play and Second Chance Bakery, Part II (1% of course grade)

Discussion session:

- Practice problem: 14-10

CLASS 13:

Topics Covered:

- Budgeting and Accounting for State and Local Governments
- Government Financial Condition Analysis

Read before class:

- Chapter 12
- Chapter 13
- Chapter 15 (including Appendix 15-A)

Homework #11 due:

- Do Something (2% of course grade)

Discussion session:

- Practice problem: handout

CLASS 14:

Topics Covered:

- Final Exam Review
- Case Study

Read before class:

- Case Study Handout

Homework #12 due:

- Dennis City (1% of course grade)

Discussion session:

- Practice problems: handout

CLASS 15: FINAL EXAM