



NEW YORK UNIVERSITY | ROBERT F. WAGNER  
 GRADUATE SCHOOL OF PUBLIC SERVICE  
 FINANCIAL DECISION MAKING AND MANAGEMENT  
 FALL 2021

COURSE INFORMATION

**Class sessions – In-person**

Seven Saturdays – 2:45 pm to 6:15 pm: 9/11, 9/25, 10/9, 10/23, 11/6, 11/20, 12/11) – Silver 410

**Recitations**

In person - September 8, 6:45 pm – 8:25 pm – GCASL 279

Remote at <https://nyu.zoom.us/j/99930535209> – five Wednesdays in the weeks immediately following our first five in-person Saturday classes – 6:45 pm – 8:25 pm: 9/15, 9/29, 10/13, 10/27, 11/10.

FACULTY

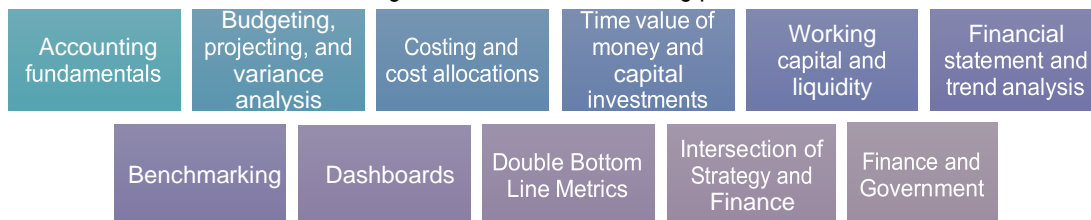
Faculty	Email	Office Hours	Location
<b>WARNER FITE</b>	<i>warner.fite@nyu.edu</i>	Tuesdays 4:00 pm – 5:30 pm starting September 14 for other times email for appointment	Puck 3063 <a href="https://nyu.zoom.us/j/9867569873">https://nyu.zoom.us/j/9867569873</a>
<b>Teaching Assistant</b>			
<b>ANA MEZA</b>	<i>apm519@nyu.edu</i>	Email for Appointment	

COURSE DESCRIPTION

The goal of this course is to help students learn financial decision-making tools for use within mission-driven and governmental organizations. Designed for the experienced mid-career manager of a social sector organization, Financial Decision Making and Management is intended to meet these leaders where they are by guiding them in developing a range of financial analysis skills through a combination of class discussions and analyses of case studies of specific organizations. The goal is to place financial analysis and decision-making in the context of the complete range of tools used by social sector: this work will demonstrate especially the complex relationships between finance, impact, strategy, and governance. Where appropriate, we will also integrate best practice tools from other disciplines including performance measurement and the alignment of financial and social returns.

## LEARNING OBJECTIVES AND COURSE STRUCTURE

This course aims to provide nonprofit leaders with the tools necessary to evaluate financial data in organizational decision-making. The emphasis is on analyzing – not creating – financial data. To this end, we will focus on 11 specific “tools” central to the financial management and decision-making process.



The first weeks of the course focus on the more specifically quantitative tools of financial decision-making, e.g., budgeting, costing, variance analysis, time value of money. In the later weeks, we will work with tools that are less specifically quantitative and which allow for a richer analysis of organizations’ decision making and the necessary alignment of financial management with mission, strategy, and operations.

We will make extensive use of case studies of organizations with a public or social mission, applying course tools to situations faced by actual nonprofits, social enterprises, and governmental agencies. The case method is intended to portray realistic situations and decision-making in the face of incomplete information, time constraints, and conflicting goals. While the cases require financial calculations, students should keep in mind that the focus should always be thinking about the decision-making framework and how the issues fit into the larger questions of an organization’s strategy. Important questions to consider: what is the evidence? how do we decide? **What constitutes success for the organization?** what information is important? In most cases, Excel templates are provided to foster a focus on analysis rather than spreadsheet construction.

It is important to keep up with the work in this course – the material is cumulative and it can be difficult to catch up. The professor and course teaching assistant will be available throughout the term for academic support and tutoring.

	Individual Deliverables				Team Deliverables		
	Pre-course accounting review	Class Participation and check-ins	Individual Assignments	Case Memos	Recitation Leadership (each team has one or more topic)	Case Introduction (each team has one or more topic)	Final Team Presentation, Memo & Dashboard
Accounting Fundamentals	•	•	•	•	•	•	•
Budgeting and variances		•	•	•	•	•	Optional
Costing and cost allocations		•	•	•	•	•	Optional
Time value of money and capital investments		•	•	•	•	•	Optional
Working capital / liquidity		•	•	•	•	•	•
Statement analysis	•	•	•	•	•		•
Benchmarking		•	•	•	•	•	•
Dashboards		•	•	•	•	•	•
Double Bottom Line		•	•	•	•	•	Optional
Intersection of Strategy and Finance		•	•	•	•	•	•
Finance and Government		•		•			Optional

## HYBRID COURSE FORMAT

Our course this fall will both in person and remotely: all Saturday classes and the first recitation (September 8) will be in person while the remaining five recitations will be remote via Zoom.

We are pleased to be resuming the course in-person and are mindful of the lessons of the remote format in 2020. Using asynchronous content allows students to access key course materials away from class at times and in ways that work best for them and allows us to work together at a more generative level in class; brief written pre-classcheck-ins foster intentionality around a supportive and engaged learning community. (It is of course important for you to spend time with that material in advance and come to class prepared.)

Many of the classes will have a check-in around the asynchronous preparation material (please see the detailed course calendar and updates during the semester for details). These are typically short reflections or other brief written assignments. The intent is for the check-ins to be a significantly lower time commitment than the other assignments and please consider the length guidelines in the syllabus to be firm; the objective is to show that you have thoughtfully spent time with the material for the upcoming class discussions, considered the main points, and are prepared to engage with your colleagues. Check-ins are due at 12 noon on the Fridays before Saturday classes.

### COVID Protocols for in-Person Classes

The university continues to consider and update its protocols for in-person classes during the fall semester and it is possible that these will change as the semester progresses. At present, there are three restrictions that impact our time together:

1. A mask covering your nose and mouth is always required in NYU buildings
2. No food or drink is permitted (we will make an exception for sips of water with your mask quickly lowered).
3. We will be trying to minimize the amount of moving around in the classroom (and you may in some cases be asked to sit in certain pre-assigned clusters to be posted on the board as you enter class).

If you have any questions about COVID protocols, including the required uploading of your vaccination status and the required daily screener, please be in touch with your advisor.

### Remote Recitations

Being part of an online community calls for each of us to exercise extra care in being present for ourselves and our colleagues. Many of you will have used Zoom (or similar) for work and other courses, and please be mindful of basic videoconference etiquette:

- Please be five to ten minutes early to all sessions to manage any technology issues before class begins (the class zoom room will be open ten minutes before recitations);
- You are expected to keep your camera on throughout the class and please be sure that your background environment is not overly distracting to your colleagues;
- Please do your best to have a distraction-free environment and resist the urge to multi-task;
- Please keep your microphone muted except when you are speaking

Additional guidance on Wagner norms and the use of Zoom for virtual classrooms can be found at <https://wagner.nyu.edu/portal/student/zoom>. Class sessions will be recorded and Miro sheets preserved, and please be in touch with the professor if you have any concerns about this. Students may not share the Zoom recordings or the Miro archives (which are for students enrolled in this course only).

## Office Hours

Office hours are in-person office hours on Tuesday afternoons from 4:00 to 5:30 pm and at <https://nyu.zoom.us/j/9867569873>. Please be in touch for appointments at other times. Please make an effort to attend office hours at least once during the semester. Ana Meza, the course teaching assistant, is also available for support throughout the semester; please contact her directly by email.

## TECH SUPPORT

All students have 24/7 support via NYU's IT services. Explore the [NYU servicelink knowledgebase](#) for troubleshooting and student guides for all NYU-supported tools (Brightspace, Zoom, etc). Contact [askIT@nyu.edu](mailto:askIT@nyu.edu) or 1-212-998-3333 (24/7) for technology assistance, or contact [Zoom's 24/7 technical support](#) (includes a chat function), or review [Zoom's support resources](#). Miro has published a [Basic Guide for New Participants](#) as well as a [Participant Onboarding Guide](#). Your peers are another source of support, so you could ask a colleague for help or tips.

## COURSE READINGS AND MATERIALS

The readings, cases and other material for the course will come from the following sources:

1. **Pre-course work – Coursera online accounting courses – required (free version)**
  - By September 3, students need to complete (via audit) two of Coursera's introductory financial accounting courses and successfully complete an online "checkout" Brightspace. There is no need to "enroll" in the Coursera courses – with a free account, you should be able to "audit" the courses giving you access to all of the course materials other than the graded exams.
2. **Textbooks – required (available for purchase at NYU bookstore and online; also at Bobst Library)**
  - Berman, Carol and Joe Knight. *Financial Intelligence, Revised Edition: A Manager's Guide to Knowing What the Numbers Really Mean*. Harvard Business Review Press, 2013. (ISBN-13 : 978-1422144114) This is a plain-language guide to finance and financial management written for a private sector manager, but the themes and guidance it provides are applicable to the social sector as well. Berman and Knight provide less technical explanations than do Finkler *et al* so their work should be a valuable parallel to the larger text. Where parallel readings are given, students will benefit from reading the Berman text before the corresponding sections in the Finkler text.
  - Finkler, Steven A., Daniel L. Smith, Thad D. Calabrese and Robert M. Purtell. *Financial Management for Public, Health, and Not-for-Profit Organizations* (Sixth Edition). Sage / CQ, 2020 (ISBN-13: 978-1506396811). This is one of the standard texts in nonprofit financial management and contains a great deal of detailed information as well as practical examples. You can use an earlier edition with the caveat that the page references will not align precisely with the syllabus.
3. **Course Case Packet (Harvard Business Publishing)**

Most of the course's cases are in a [coursepack](#) at Harvard Business Publishing - You will need to set up an online account to purchase and download the cases.
4. **Course site on NYU LMS (Brightspace)**

Brightspace is the university's academic platform and you should expect to use it frequently. You will have access to site when you have completed registration for the course.

  - **Class-by-Class Resources** section will be used to post readings and other resources not found in the textbooks, including optional resources and materials intended as general resources.

- **In-class Materials** includes handouts and lecture slides.
- **Media Gallery** contains links to pre-recorded course video lectures. These lectures were prepared for Fall 2020's remote format and will be used this year as well to afford students the opportunity for asynchronous learning as well as to free up our time together for more in-depth discussions.
- **Assignment Resources** contains materials needed for individual assignments and case memos / introductions, including Excel templates and the Education Through Music case studies.
- The **Assignments** features the assignment and memo prompts and is you submit completed work via upload.
- The **Quizzes** section is used for the pre-course accounting check out.

Please check Brightspace frequently for updates.

#### 5. Remote classroom technology – Zoom and Miro

We will be using Zoom and Miro as our platforms for remote recitations: Zoom for videoconferencing and Miro for whiteboards and group exercises. Please be sure you have your NYU Zoom account activated as well as a Miro account under your NYU email.

#### 6. Financial Calculator free smartphone app – recommended (a financial calculator is not required)

Please **download** a smartphone app that duplicates the functions of the HP-12C financial calculator for in-class exercises (ifree Touch Fin financial calculator is one recommended free app).

## COURSE REQUIREMENTS AND GRADING

Final grades will be determined by a combination of individual and group course components. The sequence of assignments and their timing is in the Course Calendar and will be reviewed in class throughout the semester. Assignments will be made available in the Assignments Section of Brightspace.

- **Accounting check-out / assessment (5%)** should be completed when you have completed the Coursera accounting courses and the readings. The check-out is in Quizzes tab of the course site on Brightspace and is to be completed by September 3 at 11:55pm. It will be graded pass (credit) / fail (no credit).
- **Individual class and recitation participation including individual pre-class “check-in” assignments (15%)** encourage presence, promptness, preparation, and engagement. Because this course uses the case method, what you bring to it will be the largest determinant of what you take from it. Students should be prepared for and be on time for all classes and recitation. Attendance, distractedness, and tardiness issues affect class participation grades. Multitasking and the use of electronic devices other than for taking notes and referencing course materials prevents you from being fully present and can be very distracting to those around you. Missing more than once class is likely to have a deleterious effect on your class participation mark; please be in touch with the professor if you expect that this could be an issue.
- **Individual assignments (40%)** will be due on an alternating problem set / case memo cycle; this is to say between any two bi-weekly classes both a problem set and a case memo will generally be due.
  - **Five individual assignments (collectively 10%)** are built around specific financial analysis tools.
  - **Six case preparation memos (collectively 30%)** will be due on each week's case study prior to its being discussed in class (the memos are due on Thursday nights before Saturday classes). Memos have a hard limit of no more than three pages, double-spaced, plus attachments. The goal is clarity of thinking and recommendation rather than volume! Prompts will be posted on Brightspace for each memo.
- **Team recitation leadership (5%)**. To foster peer learning and to differentiate between class sessions and recitations, each team will lead (in concert with the professor), one recitation over the course of the term.

The teams will be responsible for organizing the recitation in broad brush, planning suggested topics / questions / materials recaps / breakout sessions, and any other content of their choice in any form they choose based upon the material in the previous Saturday's class. The professor will be available for collaboration / consultation in their planning. An outline of each group's recitation outline (plan) is due on Tuesday afternoon before Wednesday recitations.

- **Team case introduction (10%).** Each team will prepare an in-depth introduction of one in-class case study. This introduction should last no more than 10 minutes and can be a PowerPoint presentation or any other format of the group's choosing. (Please be aware of the limits of PowerPoint – and that it can sometimes hinder rather than promote engagement). Teams will be assigned after the first class session; each team member must be present and participate in the case introduction. Case study introductions are about setting the foundation for the group's learning by identifying the major issues in the case, providing a framework for analysis and decision-making, and setting up the discussion. They are not about any particular “correct” answer.
- **Final team presentation, memo, and Dashboard (25%)** will be a financial / impact dashboard for a nonprofit organization of each team's choosing, preferably with annual revenues in excess of \$10 million. The final project report will include a brief summary of the organization and its intended impact, discussion of the financial metrics that the team finds most relevant to that organization, analysis of the organization's financial and impact performance, and strategies to improve financial sustainability and mission impact. Each team will also prepare a presentation for the final class (*hard limit* of 15 minutes) summarizing their dashboard and findings / recommendations. Each team member must be present and participate in the presentation. The assignment will be distributed on September 25 and teams should submit their organization choices by October 16 and a short (non-binding) outline of their final report by November 14.

Completed assignments should be submitted through the Assignments section of the course site and always include both (a) solutions / reports in a well-formatted pdf file set up for printing (printing to a pdf from Word and Excel is a fairly straightforward process) and (b) any applicable Excel workbooks (for troubleshooting) . **File names should always include the student's name (or the team number) and the assignment name or number** . Please do not submit links to Google Sheets, Google Docs, Box, Dropbox, or other files located on the cloud.

Deadlines should be taken as firm except in the case of unavoidable and unanticipated circumstances. Extension requests reflecting those circumstances very much need to be submitted in advance! As a default, although this should almost never come into play, late assignments absent a prior understanding will be marked lower by 1/3 of a letter grade (or 3 1/3 points on a 100-point scale) for each one day (or part of a day) late. Please also be aware that it can be difficult to accept assignments and case memos after we have discussed the work together in class.

## WAGNER BEST THINKING AND BEST PRACTICES

A number of the topics covered in this course intersect other elements of the Wagner curriculum and social sector practice areas, including deeper dives into financial and impact assessment and management, the organization and depiction of data and dashboards, the analysis of social as well as financial returns, and governance and controls. Deeper explorations of these topics can be found in courses such as:

- Performance Measurement and Management (PADM-GP. 2174)
- Social Impact Investment (PADM-GP. 2311)
- Managing Financial and Social Returns of the Social Enterprise (PADM-GP. 2312)
- Nonprofit Governance (PADM-GP. 4135)
- Tools for Managing Nonprofits: Compliance, Internal Controls, and Ethics (PADM-GP. 4142)

- Data Visualization and Presentation (PADM-GP. 4419)

## ACADEMIC INTEGRITY

Students are reminded that they have signed an Academic Oath at NYU Wagner and they are bound by this oath and the principles of NYU's and Wagner's academic code. While students are encouraged to discuss assignments with their colleagues, all individual submissions are expected to be students' own original work. Please review the details [here](#). If you have any hesitation about what constitutes original work, be in touch with the professor.

## HENRY AND LUCY MOSES CENTER FOR STUDENTS WITH DISABILITIES

Academic accommodations are available for students with disabilities. Please visit the Moses Center (CSD) [website](#) and click on the Reasonable Accommodations and How to Register tabs or call or e-mail CSD (at 212-998-4980 or [mosescsd@nyu.edu](mailto:mosescsd@nyu.edu)) for information. Students who are requesting academic accommodations are strongly advised to reach out to the Moses Center as early as possible in the semester for assistance.

## RELIGIOUS HOLIDAYS AND OBSERVATIONS

NYU's Calendar Policy on Religious Holidays states that members of any religious group may, without penalty, absent themselves from classes when required by their religious obligations. Please notify the professor in advance of religious holidays that might coincide with course activities to schedule mutually acceptable alternatives.



## COURSE CALENDAR INCLUDING ASSIGNMENT DUE DATES

Time	Date	Class Topics / Cases	Assignments Due
	9/3		<b>Last day to complete accounting check-out on Brightspace</b> <b>Last day for online pre-course survey at</b> <a href="https://nyu.qualtrics.com/jfe/form/SV_24clcR116419m17">https://nyu.qualtrics.com/jfe/form/SV_24clcR116419m17</a>
Recitation In Person 6:45 – 8:25pm	9/8	<b>Recitation – Course Introduction and Accounting Review</b>	
	9/10		<b>Pre-class check-in response due 12 noon</b>
Class 1 In Person, 2:45 – 6:15 pm	9/11	A. Introduction to Financial Management – <i>North Side Children’s Agency</i> B. Introduction to Budgeting C. Breakeven and Flex Budgets	
	9/14		<b>Teams Assigned for Recitation Lead, Case Introductions, and Final Project</b>
Recitation Remote 6:45 – 8:25pm	9/15		<b>Recitation – Class Review, Individual Assignment, Case Memo Topic</b> <a href="https://nyu.zoom.us/j/99930535209">https://nyu.zoom.us/j/99930535209</a>
	9/18		<b>Individual assignment #1 – Budgets and breakeven</b>
	9/22		<b>Case memo and case introduction slides – Textbooks for Change</b>
	9/24		<b>Pre-class check-in response due 12 noon</b>
Class 2 In Person 2:45 – 6:15pm	9/25	A. Accounting Rules for Nonprofit Organizations B. Breakeven Analysis and Flex Budgets case – <i>Textbooks for Change</i> C. Costing – Direct and Indirect Cost Allocations D. Controls and Variances	
			<b>Final team project posted after class</b>
	9/28		<b>Recitation leaders’ outline due 2:00 pm (Team 1)</b>
Recitation Remote 6:45 – 8:25pm	9/29		<b>Recitation (guided by Team 1) – Class Review, Individual Assignment, Case Memo Topics</b> <a href="https://nyu.zoom.us/j/99930535209">https://nyu.zoom.us/j/99930535209</a>
	10/2		<b>Individual assignment #2 – Variances</b>
	10/7		<b>Case memo and case introduction slides – ETM (A)</b>
	10/8		<b>Pre-class check-in response due 12 noon</b>
Class 3 In Person 2:45 – 6:15pm	10/9	A. Time Value of Money and Investment Analysis B. Cost Case – <i>Education Through Music (A) (introduced by Team 3)</i> C. Budgeting under uncertainty ( <i>guest: Vickie Barrow-Klein</i> )	
	10/12		<b>Recitation leaders’ outline due 2:00 pm (Team 2)</b>
Recitation Remote 6:45 – 8:25pm	10/13		<b>Recitation (guided by Team 2) – Class Review, Individual Assignment, Case Memo Topics</b> <a href="https://nyu.zoom.us/j/99930535209">https://nyu.zoom.us/j/99930535209</a>
	10/16		<b>Individual assignment #3 – Capital investment analysis</b> <b>Final Team Project Organization Choice (by email)</b>
	10/21		<b>Case memo and case introduction slides</b>
	10/22		<b>Pre-class check-in response due 12 noon</b>



Financial Decision Making and Management  
Fall 2021

Time	Date	Class Topics / Cases	Assignments Due
Class 4 In Person 2:45 – 6:15pm	10/23	A. Financial Statement Analysis Part 1 B. Investment Analysis case – <i>St. Clement's School</i> (introduced by Team 4) C. Benchmarking	
	10/26		<b>Recitation leaders' outline due 2:00 pm (Team 3)</b>
Recitation Remote 6:45 – 8:25pm	10/27		<b>Recitation (guided by Team 3) – Class Review, Case Memo Topics</b> <a href="https://nyu.zoom.us/j/99930535209">https://nyu.zoom.us/j/99930535209</a>
	10/30		<b>Individual assignment #4 – Identify the Nonprofit (online)</b>
	11/4		<b>Case memo and case introduction slides – Carleton Fire Department</b>
	11/5		<b>Pre-class check-in response due 12 noon</b>
Class 5 In Person 2:45 – 6:15pm	11/6	A. Strategy & Finance / Financial Statement Analysis Part 2 and guest speaker (Mamta Prakash) B. Benchmarking case – Carleton Fire Department (introduced by Team 1) C. Dashboards and Data Visualizations	
	11/9		<b>Recitation leaders' outline due 2:00 pm (Team 4)</b>
Recitation Remote 6:45 – 8:25pm	11/10		<b>Recitation (guided by Team 4) – Class Review, Case Memo Topics</b> <a href="https://nyu.zoom.us/j/99930535209">https://nyu.zoom.us/j/99930535209</a>
	11/14		<b>Individual Assignment 5 – SCI dashboard recommendation</b> <b>Team Final Project Outline</b> <b>Team Interim Peer Review</b>
	11/18		<b>Case memo and case introduction slides – ETM (C)</b>
Class 6 In Person 2:45 – 6:15pm	11/20	A. Balance Sheet Management B. Double Bottom Line and Impact Maps C. Financial Analysis and Strategy case – <i>ETM (C)</i> (introduced by Team 2) (guests: Kathy Damkohler and Penny Swift)	
	11/24		<b>No office hours (Thanksgiving break)</b>
	12/8		<b>Final Team Presentation Slides</b>
	12/9		<b>Case Memo – City of New York</b>
	12/10		<b>Pre-class check-in (questions for another team) due 12 noon</b>
Class 7 In Person 2:45 – 6:15pm	12/11	A. Finance and Government case – <i>City of New York</i> (introduced by the Professor) B. Final Team Presentations C. Course Wrap-Up and Reflections	
	12/19		<b>Team Final Project</b> <b>Team Peer Reviews</b>

**RECITATION**

**SEPTEMBER 8 – IN PERSON**

**Accounting Check-out  
Pre-course survey**

At \_\_\_\_\_ - you can use your computer  
or smartphone

Due September 3 on the Tests & Quizzes section on Brightspace  
Due September 3 – this should take about 10 minutes

No advance preparation is required for this recitation other than a review of your accounting check-out quiz  
(feedback and scoring on the quizzes will be released on September 7)

Please note that the order of topics in the syllabus will not necessarily be the order in which we cover them in class

**A. COURSE INTRODUCTION**

Students and the professor will share expectations and goals and review the syllabus / overview of the course

**B. REVIEW OF ACCOUNTING PREREQUISITES**

We will review the accounting material and an answer key to the quiz

**SESSION 1**

**SEPTEMBER 11 – IN PERSON**

**Check-in Question**

Due September 10 at 12 noon via Brightspace

**A. INTRODUCTION TO FINANCIAL MANAGEMENT**

We will discuss the role of financial analysis and accountability within social sector organizations and the differences between managerial and financial accounting.

**PREPARATION**

- [Coursepack] **Case Study – The North Side Children’s Agency.** Please read the case and be prepared to discuss the facts of the case and your observations and recommendations. No case memo or case introduction is required for this case.

*Check-in via Brightspace Assignments section (no more than four paragraphs, inline only which means that you have to type or cut-and-paste your response into the text box you will see): What does the North Side Children’s Agency case tell us about the importance of financial management in non-profit organizations? What do you think North Side got right and wrong?*

- [Brightspace – skim only] Ebrahim, Alnoor. “The Many Faces of Nonprofit Accountability.” *Harvard Business School Working Paper*, 2010.

**B. INTRODUCTION TO COSTS AND BUDGETING**

In their simplest form, budgets indicate an organization’s objectives and the resources that it intends to use to achieve those objectives. Coupled with variance analysis, budgeting is at the intersection of management and finance. We will explore the various types of costs and how they can drive the economic model of social sector organizations

**PREPARATION**

- Finkler *et al*, Chapter 2 and Chapter 3 (pages 124 to 135 only)
- Link to video] [Propel Nonprofits – Fundamentals of Nonprofit Budgeting](#)
- [Brightspace – Media Gallery] Types of Costs

### C. BREAKEVEN AND FLEX BUDGETS

Breakeven analysis and flexible budgeting are simple yet very powerful tools for projecting and understanding financial outcomes under various circumstances. For this reason, they are key tools in managing and decision-making under conditions of uncertainty.

#### PREPARATION

- Finkler *et al*, Chapter 3 (pages 87 to 89 only) and Chapter 4 (pages 136 – 144 only).
- [Link to video] [Rutgers Accounting Web - Flexible Budget](#) (to 2:49)
- [Link to video] [Ducere Global Business School - How to Calculate Breakeven](#)

## RECITATION

SEPTEMBER 15 – REMOTE

## SESSION 2

SEPTEMBER 25 – IN PERSON

### **Individual Assignment #1**

#### **Case Memo / Introduction – Textbooks for Change**

#### **Check-in Question**

Due September 18 by 11:55 pm via Brightspace

Due September 23 by 11:55 pm via Brightspace

Due September 24 at 12 noon via Brightspace

### A. ACCOUNTING RULES FOR NONPROFIT ORGANIZATIONS

There are special purpose accounting rules that apply specifically to nonprofit organizations, including approaches to revenue recognition and recognizing the oft-restricted nature of contributions.

#### PREPARATION

- Finkler *et al*, Chapter 11
- [Links to videos] – [two videos from the Nonprofit Finance Fund on nonprofit accounting](#) – please watch only the second and third videos on the page (Net Assets and Revenue Recognition). The slides used in the videos are also on Brightspace.
- [Brightspace – Media Gallery] Accounting Rules for Nonprofit Organizations
- [Brightspace – Class by Class Resources] Grant Thornton. “FASB amends NFP financial statement presentation.” 2016.

### B. BREAKEVEN ANALYSIS AND FLEX BUDGETS CASE – TEXTBOOKS FOR CHANGE (TO BE INTRODUCED BY TEAM 2)

We will complete our work on breakeven analysis and flex budgets with Textbooks for Change, a case from the Ivey School at Western University in London (Ontario). It explores breakeven and budgeting from the perspective of a start-up social enterprise considering the benefits and risks of three potential expansion locations.

#### PREPARATION

- [Coursepack] **Case Study – Textbooks for Change**
- [Brightspace – Assignment Resources] Excel Template for Textbooks for Change

### C. COSTING AND COST ALLOCATIONS

The true costs of an organization’s work go beyond the direct costs of the services that it provides. The cost of a soup kitchen’s providing meals to those in need, for example, is much more than the food it serves and the staff who prepare it. In order to determine the true economics of their operations, organizations need to allocate a range of direct and indirect costs to the services they provide. Our introduction to costing will focus on the distinction between direct and indirect costs and on using the step-down method of cost allocation to determine an organization’s true program costs.

#### PREPARATION

- Finkler *et al*, remainder of Chapter 4

- [Brightspace – Class by Class Resources] Gregory, Ann and Don Howard, “The Nonprofit Starvation Cycle,” *Stanford Social Innovation Review*, Fall 2009.
- [Brightspace – Class by Class Resources] Eckhart-Queenan, Jeri, Michael Etzel and Sridhar Prasad. “Pay-What-It-Takes Philanthropy,” *Stanford Social Innovation Review*, Summer 2016.
- [Link to video] [Corporate Finance Institute – Fixed and Variable Costs](#) (the video is almost all the way to the bottom of the webpage)
- [Brightspace – Media Gallery] Cost allocations lecture

**D. CONTROLS AND VARIANCES**

Control systems are the various mechanisms through which organizations align and measure their activities, resource utilization, and financial performance against mission impact and efficiency. Once a budget (or prior period’s performance) has been established, assessing an organization’s performance against a target is a fundamental control and management tool. In this segment, students learn to break performance variances into their component elements, providing visibility into their root causes.

**PREPARATION**

- Finkler *et al*, Chapter 8 (pages 277 to 294 only).
- [Link to video] [Corporate Finance Institute – What is Variance Analysis All About?](#)
- [Brightspace – Media Gallery] Controls and variances lecture

*Check-in via Brightspace Assignment section (no more than four paragraphs, inline text only): What is the difference between a price / cost variance and a quantity variance? Is your answer different for revenue variances and expense variances?*

<b>RECITATION</b>	<b>SEPTEMBER 29 – REMOTE</b>
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Content to be led by Team 3

<b>SESSION 3</b>	<b>OCTOBER 9 – IN PERSON</b>
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<p><b>Recitation Leaders’ Outline (Team 1 only)</b>  <b>Individual Assignment #2</b>  <b>Case Memo / Introduction – Education Through Music (A) Check-in Question</b></p>	<p><i>Due <u>September 28</u> by 2:00 pm via Brightspace</i>  <i>Due <u>October 3</u> by 11:55 pm via Brightspace</i>  <i>Due <u>October 8</u> by 11:55 pm via Brightspace</i>  <i>Due <u>October 9</u> at 12 noon via Brightspace</i></p>
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**A. TIME VALUE OF MONEY AND INVESTMENT ANALYSIS**

At the heart of much of finance is the concept of “time value of money,” simply put that a dollar in hand today is worth more than a dollar in hand tomorrow. We will work through time value of money, determining in this first part how to calculate the present value of an asset or investment based upon the stream of payments that it generates. We will then move to the three of the tools used in investment analysis: payback period, Net Present Value, and Internal Rate of Return. It is recommended that you follow the sequence of the preparation materials that follows.

**PREPARATION**

- Berman and Knight, Chapters 27 and Part Six Toolbox (pages 197-222).
- [Link to video] [The Finance Storyteller - Payback Period](#)
- [Link to webpage and video] [Investopedia – Time Value of Money](#)
- [Link to video] [The Finance Storyteller - Time Value of Money Explained](#)
- [Link to video] [AssistKD - What is Discounted Cash Flow?](#)
- [Link to webpage and video] [Corporate Finance Institute - Net Present Value](#)
- [Link to video] [AssistKD - What is Internal Rate of Return \(IRR\)?](#)

- [Link] [Kelleher, John and Justin McCormack. "Internal rate of return: a cautionary tale" \*McKinsey Quarterly\*, August 1, 2004.](#)
- Finkler *et al*, Chapter 5 (please do not feel the need to parse the Excel walkthroughs on pages 180 through 186)

#### B. COST CASE – EDUCATION THROUGH MUSIC (A) (TO BE INTRODUCED BY TEAM 4)

Over the course of the semester, we will learn about Education Through Music, a New York-based nonprofit that provides music as a core subject in partnership with the NYC Department of Education and the Los Angeles Unified School District.

##### PREPARATION

- [Brightspace – Assignment Resources] **Case Study – Education Through Music (A): Understanding Costs at a Scaling Nonprofit**
- [Brightspace] Case Study – Education Through Music (B): Seeking Operating Excellence at a Scaling Nonprofit. This case, written from a general management perspective, should inform your thinking about the main (A) case.
- [Brightspace – Assignment Resources] ETM costing template (Excel)

#### C. BUDGETING UNDER UNCERTAINTY

The event of recent months – as well as ongoing uncertainty regarding the election cycle, political and regulatory outcomes, as well as economic conditions – requires public service leaders to increasingly embrace uncertainty. In this wrap-up to our budgeting and costing work, we will be joined by Vickie Barrow-Klein, the Chief Financial Officer of Planned Parenthood Federation of America. Vickie will discuss some of that organization's responses to the uncertainties it faces, the integration of mission and budgeting, as well as how the organization adapted and planned with the onset of the pandemic and the election in 2020, and beyond.

*Check-in via Brightspace Assignment Section (no more than three paragraphs, inline text only): Going into the FY2021 planning cycle in March 2020 the COVID-19 pandemic struck. Vickie has asked you to share your thinking on how to focus PPFA's planning and budgeting to reflect the new reality. What are your thoughts (about PPFA's process, not the pandemic)?*

##### PREPARATION

- [link to video] [Propel Nonprofits: Fundamentals of Nonprofit Budgeting](#) – originally viewed for Class 1 – just refresh your awareness
- [Brightspace – Class by Class Resources] Steele, Richard and Craig Albright. "Games Managers Play at Budget Time". *MIT Sloan Management Review* 45 (3) Spring 2000
- [Brightspace – Class by Class Resources] Courtney, Hugh, Jane Kirkland and Patrick Viguier. "Strategy Under Uncertainty." *Harvard Business Review*, Nov-Dec 1997
- [Brightspace – Class by Class Resources] Courtney, Hugh, Dan Lavallo and Carmina Clarke. "Deciding how to Decide." *Harvard Business Review*, November 2013
- [Brightspace – Class by Class Resources] Planned Parenthood Federation of America 2019 Annual Report and financial statement

## RECITATION

**OCTOBER 13 – REMOTE**

*Recitation Leaders' Outline (Team 2 only)*

*Due October 12 by 2:00 pm via Brightspace*

Content to be led by Team 2

**SESSION 4**

**OCTOBER 23 – IN PERSON**

**Recitation Leaders' Outline (Team 2 only)**  
**Individual Assignment #3**  
**Final Team Project Organization Choices**  
**Case Memo – St. Clement's School**  
**Check-in Question**

*Due October 12 by 2:00 pm via Brightspace*  
*Due October 16 by 11:55 pm via Brightspace*  
*Due October 16 by e-mail to the professor*  
*Due October 21 by 11:55 pm via Brightspace*  
*Due October 22 at 12 noon via Brightspace*

**A. FINANCIAL STATEMENT ANALYSIS PART I (FINANCIAL STATEMENT WALKTHROUGH AND RATIOS)**

Financial accounting communicates an organization's results and financial position. Financial analysis is used by leaders to make mission-based decisions, by funders to determine whether to support an organization, and by lenders to determine the prospects for loan repayment.

*Check-in question via Brightspace Assignment section (no more than three paragraphs or bullet points, inline text only): Please share three observations about the Metropolitan Museum of Art, its financial performance, or its financial condition that you have gleaned from a reading of its statements. What facts in the statements have led you to these observations?*

**PREPARATION**

- Finkler *et al*, Chapter 14
- [Brightspace – Class by Class Resources] Financial ratios “cheat sheets”
- [Brightspace – Class by Class Resources] Keating, Elizabeth and Peter Frumkin. “How to Analyze Nonprofit Financial Performance.” *National Assembly of States Arts Organizations*, 2008. Pages 46 to conclusion only.
- [Brightspace – Class by Class Resources] Metropolitan Museum of Art Financial Statements for the years ended June 30, 2016 and June 30, 2015. Please be sure to read the financial statements and the footnotes carefully.
- [Link to podcast – optional] Gladwell, Malcolm. “Dragon Psychology 101” *Revisionist History*. June 18, 2020
- [Brightspace – Class by Class Resources - skim] Abraham, Anne. “Financial Management in the Nonprofit Sector: A Mission-Based Approach to Ratio Analysis in Membership Organizations.” *The Journal of the American Academy of Business*, 10(1), Sept. 2006.

**B. INVESTMENT ANALYSIS CASE – ST. CLEMENT'S SCHOOL (TO BE INTRODUCED BY TEAM 1)**

In this Ivey case, the trustees of a girls' school are considering a significant addition to the school's physical plant. We will explore the mission-driven reasons for expanding the school's footprint as well as the financial implications of doing so.

**PREPARATION**

- [Coursepack] **Case Study – St. Clement's School**
- [Brightspace] St. Clement's Financial Analysis Template

**C. BENCHMARKING**

Benchmarking an organization's results – financial as well as non-financial – is an important part of assessing its performance, opportunities, and resource allocation decisions.

*Check-in question via Brightspace Assignment Section (no more than three paragraphs, inline text only): You are interviewing for the CEO position at Henry Street Settlement and have been asked by the selection committee to reflect on how benchmarking might apply to their early childhood education program. What is your short response to the committee? (you are not being asked to do a research or a deep dive, rather to think about how benchmarking might generally be used in such an instance)*

**PREPARATION**

- [Link to webpage and video] [BPIR - What is benchmarking?](#)

- [Link] [BDO. "Nonprofit Standards" \(2020 Benchmarking Survey\), June 2020](#) (skim only for approach not content) and [2019's top trends](#)
- [Brightspace – Class by Class Resources] Sawhill, John and David Williamson. "Measuring What Matters in Nonprofits." *McKinsey Quarterly*. 2001 (2), pp. 96-107.
- [Brightspace – Class by Class Resources] Caturano and Company. "Why Benchmark Your Organization's Operations?"
- [Brightspace – Class by Class Resources] Roberts, Dylan, George Morris, John MacIntosh and Daniel Millenson. "Risk Management for Nonprofits." Oliver Wyman & Sea Change Capital Partners, March 2016 (do not worry about the specifics of the tables)
- [Brightspace – Class by Class Resources – optional] Brockmeier, Diane. "Benchmarking in Nonprofit Organizations." Mid-America Transplant Services, 2012.
- [Brightspace – Class by Class Resources] M + R. "Benchmarking 2016." This is a study of development (fundraising) metrics and benchmarks.

**RECITATION**

**OCTOBER 27 – REMOTE**

**SESSION 5**

**NOVEMBER 6 – IN PERSON**

Content to be led by Team 3

**Recitation Leaders' Outline (Team 3 only)**

**Individual Assignment #4**

**Case Memo - Carleton Fire Department Check-in Question**

**Case Memo – St. Clement's School**

*Due October 26 by 2:00 pm via Brightspace*

*Due October 30 by 11:55 pm via Brightspace*

*Due November 4 by 11:55 pm via Brightspace*

*Due November 5 at 12 noon via Brightspace*

**A. BENCHMARKING CASE STUDY – CARLETON FIRE DEPARTMENT (TO BE INTRODUCED BY TEAM 3)**

This case considers the challenges, benefits, and costs of hospital participation in a widely recognized surgical quality improvement benchmarking program.

**PREPARATION**

- [Coursepack] Case Study – **Carleton Fire Department**

**B. FINANCIAL STATEMENT ANALYSIS PART II / STRATEGY AND FINANCE (ANSWER-FIRST EXERCISE)**

We will discuss the recent financial performance of Year Up and Teach For America at moments in which each organization was at an inflection point.

*Check-in question via Discussion Section: Please review the financial statements (including notes) for these two organizations and post at least three hypotheses about each organizations' financials, operations, and governance (six observations in all, three for TFA and three for Year Up). Please cite the basis for your hypotheses. (You will not see your colleagues' hypotheses until you have posted your own)*

**PREPARATION**

- [Brightspace – Class by Class Resources] Teach for America 2016 Audited Financial Statements and Form 990
- [Brightspace – Class by Class Resources] Year Up 2017 Audited Financial Statements and Form 990

**GUEST SPEAKER** – Mamta Prakash, Senior Consultant, [BDO / FMA](#)



### C. DASHBOARDS AND DATA VISUALIZATION

Dashboards and data visualizations convey insight into financial and other metrics (including KPIs) and are a powerful tool in decision-making. Wherever possible, social sector dashboards should include impact (double bottom line) metrics.

#### PREPARATION

- [Brightspace – Media Gallery] Dashboard Visualizations
- [Brightspace – Class by Class Resources] Privett, Natalie. “Webinar: How to Effectively Communicate Data.” *NYU Stream*.
- [Brightspace – Class by Class Resources] Privett, Natalie. “How to Effectively Communicate Data.” This is the presentation that Professor Privett used in her webinar.
- [Brightspace – Class by Class Resources] Polanco, Hilda S. and Sarah Walker. “Models and Components of a Great Nonprofit Dashboard.” *Nonprofit Quarterly*. May 2016.
- [Brightspace – Dashboard Resources] Students should review and become familiar with some of these examples prior to class and can use these resources as a starting point for conceptualizing the financial and impact dashboard to be included in the Final Team Project.

## RECITATION

NOVEMBER 10 – REMOTE

Content to be led by Team 4

## SESSION 6

NOVEMBER 20 – IN PERSON

**Recitation Leaders' Outline (Team 4 only)**  
**Individual Assignment 5**  
**Team Final Project Outline**  
**Team Interim Peer Review**  
**Case Memo – ETM (C)**

*Due November 9 by 2:00 pm via Brightspace*  
*Due November 14 by 11:55 pm via Brightspace*  
*Due November 14 via email to professor*  
*Due November 14 by 11:55 pm via Brightspace*  
*Due November 18 by 11:55 pm via Brightspace*

### A. BALANCE SHEET MANAGEMENT

Working capital management and the process of converting an organization's services into financial resources (*i.e.*, cash) is an important part of the management of any enterprise. We will work through how the working capital cycle runs from inventory purchases through collection of accounts receivable and how the velocity with which an organization can do this is central to its efficient use of resources.

#### PREPARATION

- [Brightspace – Media Gallery] Balance Sheet Management
- Berman and Knight, Chapters 28, 29, and 30 and Part Seven Toolbox (pages 226-239).
- Finkler *et al*, Chapter 6 (pages 214-222) and Chapter 7 (pages 236-241, 247-259)
- [Brightspace – video lecture, in Media tab] Balance Sheet Management
- [Brightspace – link to video] [Corporate Finance Institute – Working Capital Funding Gap](#)
- [Brightspace – Class by Class Resources] Propel Nonprofits – “Using Loans”
- [Link] Strom, Stephanie. “Nonprofits Paying Price for Gamble on Finances.” *The New York Times* September 23, 2009.

### B. DOUBLE BOTTOM LINE AND IMPACT MAPS

“Double bottom line” refers to an organization pursuing social (impact) as well as financial goals and is the underpinning of social entrepreneurship and impact investing. The “dual bottom-line matrix” or “impact map” (mission alignment relative to financial impact) helps leaders assess and visualize their organization's strategic positioning.

**PREPARATION**

- [Brightspace – Class by Class Resources] Allison, Michael and Judith Kaye, “How to Use the Matrix Map” in *Strategic Planning for Nonprofit Organizations* (Third Edition), John Wiley & Sons, 2015

*Check-in question via Brightspace Discussion section:* Please review the websites of SCO Services, BronxWorks, and Henry Street Settlement and post two observations concerning each organization’s intended mission impacts. Please cite the basis for your hypotheses. (You will not see your colleagues’ hypotheses until you have posted your own)

**C. STRATEGY AND FINANCE CASE – EDUCATION THROUGH MUSIC (C) (TO BE INTRODUCED BY TEAM 5)**

Finding the right time and operating model for scaling a nonprofit is rarely simple. We will complete our case study of ETM by considering the choices they are making in the present as they consider increasing the reach of their program. Kathy Damkohler, ETM’s former Executive Director, and Penny Swift, its present Executive Director, will join us for the case discussion and to recap ETM’s work, progress, and decision-making over the past two years.

**PREPARATION**

- [Brightspace – Assignment Resources] Case Study – **Education Through Music (C)**
- [Brightspace – Assignment Resources] Case Study – Education Through Music (B) (Epilogue). This recap of changes at ETM since the A and B cases should inform your thinking around the C case.
- [Brightspace – Class by Class Resources] Foster, William and Gail Fine, “How nonprofits get really big”. Stanford Social Innovation Review, Spring 2007

<b>SESSION 7</b>	<b>DECEMBER 11 – IN PERSON</b>
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<b>Final Team Presentation Slides *</b> <b>Case Memo – City of New York</b>	<i>Slides due December 8 by 11:55 pm via Brightspace</i> <i>Due December 9 by 11:55 pm via Brightspace</i>
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\* Slides should also be sent by email to each member of the team charged with the Q & A to follow your team’s presentation. This will be the team whose team number is one higher than yours, except for Team 4 who will send their slides to the members of Team 1.

**A. FINANCE AND GOVERNMENT CASE – CITY OF NEW YORK (TO BE INTRODUCED BY THE PROFESSOR)**

In the 1970s, New York City teetered on the precipice of financial collapse. Only 30 years later was the Municipal Assistance Corporation, established to assist and oversee the finances of the city, shuttered. Even today, the City operates under the financial supervision of the State of New York’s Financial Control Board (whose resurrected powers have been proposed as this syllabus is being written in August). Our case examines the finances of the City at the end of the 1990s, with financial recovery underway but far from certain.

The reading materials also include two articles relating to impending state and local budget shortfalls nationwide as well as in New York. It will be interesting to how the situation evolves from August to the end of the course in December.

**PREPARATION**

- Finkler *et al*, Chapter 14
- [Coursepack] Case Study – **City of New York**
- [Link to article] Nussbaum, Jeff. “[The night New York saved itself from bankruptcy](#)”. *The New Yorkers*, October 16, 2015
- [Link to article] Lisberg, Adam. “[Municipal Assistance Corp., New York’s 1975 savior, says ‘see ya.’](#)” *New York Daily News*, September 27, 2008
- [Link to article] Phillips-Fein, Kim. “[The Legacy of the 1970s Fiscal Crisis - Nearly forty years after Ford told New York to drop dead, the city is still here—but forever changed.](#)” *The Nation*, April 16, 2013

- [Link to video and article] March, Julia and Logan Hicks. "De Blasio slashes \$6 billion from NYC budget over coronavirus crisis". *New York Post*, April 6, 2020
- [Link to video and article] Cohn, Scott. "Cuts to basic services loom as coronavirus ravages local economies and sends states into fiscal crisis" *cnn.com*, July 7, 2020
- [Link to article] Geringer-Sameth, Ethan. "'This is Going to Change Everything': How the American Rescue Plan Will Impact New York City." *Gotham Gazette*, March 21, 2021
- [Link – skim lightly] City of New York Consolidated Annual Financial Report (CAFR) for 2020 (the link should be updated with the 2021 report in November).

**B. FINAL TEAM PRESENTATIONS**

Each team will make a presentation subject to hard limit to be determined followed by up to five minutes of Q&A from one other team designated in advance).

*Check-in question via Brightspace: Please review the presentation that another team has sent you and post two questions on that team's presentation and the organization they have studied. Please keep your questions at hand during that team's presentation.*

**C. WRAP UP**

We will summarize the course and the application of learning from the course to students' professional roles and career goals.

<b>Team Dashboard and Financial Report</b>	<i>Due December 19 by 11:55pm via Brightspace</i>
<b>Final Team Peer Review</b>	<i>Due December 19 by 11:55pm via Brightspace</i>

## MATERIAL ORIGINALLY PROVIDED IN JUNE

### PLACING OUT (WAIVING THE COURSE)

Students with backgrounds in finance or financial management are strongly encouraged to apply for a waiver of the course. A waiver allows for another elective course, where the incremental benefit might be higher. If you believe you may qualify for a waiver please contact Warner Fite (warner.fite@nyu.edu) and Scott Statland, the EMPA program administrator (scott.statland@nyu.edu). The waiver is obtained through a resume / transcript review (and possible discussion) or through the waiver exam in August for CORE-1021 (the base MPA core finance course). The process must be completed before you begin your second semester at Wagner. Students who have waived generally have had backgrounds including at least several years of professional experience or a finance / business degree.

### COURSE PREPARATION AND PRE-COURSE ASSIGNMENTS

The course prerequisites are intended to accomplish three related goals.

1. Assure that the class shares a base level of familiarity with two of the main building blocks of financial management: the language of accounting and the calculating capabilities of Excel. While some students may come to the course well versed in these topics, it is important to the case studies and our other work together that everyone have a common foundation. Think of accounting as the language of finance and our course as a trip to a new country: the goal of the prerequisites is not to make you an expert but rather to be sure that we are all able to comfortably order a cup of coffee there when we arrive.
2. Achieve an appropriate workload over the first four to six weeks of the course. By moving the accounting work forward and creating the flexibility for students to absorb it at their own pace, we can “decompress” the beginning weeks of the course (even though it may not always feel that way!) to focus on the (hopefully) more interesting work of building and applying decision making tools.
3. Last, and related to the first and second considerations, is an effort to increase students’ comfort level and success from the outset. By being sure that students are able to ramp into the course material by completing the prerequisites, we hope that the work that follows will seem more readily accessible.

#### Accounting and Financial Statements

Accounting is the language of finance and a familiarity with the basic tenets of accounting will be necessary for the course. The pre-course accounting work consists of (1) “auditing” two Coursera courses from the University of Illinois, (2) corresponding readings in our course textbooks, and (3) a final “check out,” or “assessment” exercise to be taken on Brightspace (graded pass / fail, or credit / no credit).

Please start the accounting work as soon as you can - postponing this work until the last week or two can make for unnecessary anxiety and make it seem harder than it is. Students’ median time to complete the accounting work in past years has been 20 to 25 hours with some students finding that the work took 30 hours or more. Please be sure reach out to Warner Fite or Ana Meza for support as necessary as you complete the summer work (and throughout the semester).

#### 1. Coursera courses

- o *Financial Accounting: Foundations* – <https://www.coursera.org/learn/financial-accounting-basics>
- o *Financial Accounting: Advanced Topics* – <https://www.coursera.org/learn/financial-accounting-advanced>

Despite their titles, the two courses are a sequenced pair (and please do not be put off by the phrase “advanced topics” in the second course!) and provide a good introduction to financial statement organization and the conventions of financial accounting. They also include a walk through the three main financial statements (income statement, balance sheet, cash flow).

You will need to set up a free Coursera account, but you do not need to formally enroll in (or pay for) the courses, rather you should be able to simply “audit” them at no charge. Hints for how to enroll as an auditor are at <https://www.youtube.com/watch?v=jF376JXDKCo>, <https://www.classcentral.com/report/coursera-signup-for-free/> and <https://learner.coursera.help/hc/en-us/articles/209818613-Enrollment-options>. This will give you access to all the course materials that you need (don't worry about not getting the graded materials and peer assessments). It will be helpful to use the Practice Quizzes in the courses to check your knowledge and as preparation for the checkout assessment that will in part use a similar format.

The total running time of each Coursera course is approximately eight hours. Their course slides have been placed on Brightspace (under the Resources section) where you will also be able to find corresponding slides from Fall2016 when these topics were covered in the first weeks of the course rather than in advance.

It is not necessary to review / complete everything in both courses – the sections listed below are the specific sections that it will not be necessary to review.

*Financial Accounting: Foundations*

Lesson 4-7 (the Cost Flow assumptions – inventory and cost of sales accounting – this section is necessary, but please do not be concerned with LIFO and FIFO)

*Financial Accounting: Advanced Topics*

Lesson 1-3 (Disposal of Fixed Assets)

Lesson 3-3 (Shareholders Equity – Distributions)

Lesson 3-4 (Shareholders Equity – Earnings Per Share)

## **2. Textbook Readings**

As you work through the online accounting courses, you should read the corresponding sections in the two course textbooks that will support your learnings in the online courses.

*Financial Accounting: Foundations*

- Berman and Knight, Chapters 4 to 11. Students who feel they are starting without a great deal of background in accounting might be well-served by reading the Berman and Knight chapters *before* reviewing the Coursera courses. Please read the Berman and Knight discussions before delving into the more technical Finkler chapters.
- Finkler *et al*, Chapter 10 (pages 357 to 370 only)
- Finkler *et al*, Chapter 9 (pages 315-333)

*Financial Accounting: Advanced Topics*

- Berman and Knight, Chapters 12 to 19.
- Finkler *et al*, Chapter 9 (pages 333-348) as well as Appendices 9-A and 9-B
- Finkler *et al*, Chapter 10 (pages 370-392) as well as Appendices 10-A and 10-D.

There are also slide decks from past years when the material in the accounting pre-course work was included in the first weeks of the course. These decks can be found in the course's Brightspace site.

### 3. **“Check out” (Assessment)**

The Quizzes tab on the Brightspace site contains an “open book” accounting check out based on the above material. This exercise must be completed by Thursday, September 3. The checkout will be graded on a Pass – Fail basis and will account for five percent of the final course grade (a passing score will be 70%). The assessment is not timed, but once started must be completed in one session. Most students in the past have required from 2 ½ to three hours on the assessment. You are allowed to work through the check out twice; if you find that you have not passed the assessment on the first try, the professor will be in touch about arrangements for a second attempt. The goal is definitely not to trip anyone up. Please note that any second attempts also need to be completed September 3.

Additional accounting resources include the following:

- Lynda.com has a range of accounting courses that can be accessed free through your NYU logins as follows:
  - (1) go to Lynda.com and clicking “Log In” in the upper right-hand corner,
  - (2) choose the left-side option of “Log in through your organization or school,”
  - (3) Login through nyu.edu. This will bring up the general NYU login (unless you are already logged in) and logging in to the NYU system should take you automatically to the specified course on Lynda.com).
- A third Coursera course, *Managerial Accounting: Tools for Facilitating and Guiding Business Decisions at* (<https://www.coursera.org/learn/managerial-accounting-business-decisions#syllabus>) features several of the topics we will cover in the first three weeks of the course.

### **Microsoft Excel**

Despite the advent of Google Sheets, Excel remains the standard for spreadsheet software. Course templates will all be in Excel and a number of assignments will need to be submitted as Excel files. Microsoft’s Office365, which is available for free with your nyu.edu email address, includes a continually updated version of Excel and is the best choice for most students (it also includes continually updated versions of Word, PowerPoint, Outlook and OneNote).

You do not have to be a seasoned Excel veteran by any means to do well in this course, but you will find probably find yourself most comfortable if you are able to use Excel to organize data into well-formatted tables and other reports, and to analyze that data using Excel’s basic calculation functions. In the investment analysis sections, we will be using a number of financial functions, such as =NPV and =IRR and will review their use as part of the coursework.

If you are unsure of your Excel skills, you may find that some advance preparation in those areas is worth the effort and will pay off throughout the semester. Wagner offers a three-session non-credit “Excel Computer Module” (NONCR-GP 932) in the fall that could be useful. There are also a virtually limitless number of Excel tutorials available online including these on LinkedIn Learning (formerly Lynda.com) that are free to NYU students. (You will need to be logged on to nyu.edu for free access.) Some of these are:

- [Excel 365 Essential Training](#)
- [Excel 365 for Mac Essential Training](#)
- [Excel Introduction to Formulas and Functions](#)
- [Excel Tips and Tricks](#)

There are other resources available for users of Excel 2019 and Excel for Mac 2019 although the basic functions are identical in all versions. Michael Alexander and John Walkenbach’s [Excel Dashboards and Reports, 2nd Edition](#). John Wiley & Sons, 2013 is another resource for tables and charts (for case memos, also a resource for the Dashboard portion of the course). Chapters 2, 5, 6, and 7 cover some basic Excel knowledge.

### **Zoom and Miro Familiarity**

Please be familiar with Zoom and Miro before our second (**September 15**) recitation. There will be a learning curve for all of us, so please review the tutorial guides for [Zoom](#) (as necessary) and for [Miro](#), and please practice both applications.

### **Brief Online Survey**

There is a brief online survey to be taken before the first recitation (please complete it by no later than September 3 and after you have completed the Coursera accounting course and the assessment on Brightspace). The survey is at [https://nyu.qualtrics.com/jfe/form/SV\\_5pCkvd9E1ZXNZpY](https://nyu.qualtrics.com/jfe/form/SV_5pCkvd9E1ZXNZpY) and can be done from your computer, tablet, or smartphone. It should take no more than 10 minutes.