

Course Syllabus
Nonprofit Finance for the Nonfinancial Manager I

Week 1. Overview of Financial Management for Nonprofit Organizations

In Week 1 we will explore what nonprofit financial management entails, how it relates to an organization's mission, basic types of organizational budgets, and the roles and responsibilities of key players. We will also practice reviewing an organizational budget to identify critical indicators of financial health.

Week 2. Building a Nonprofit Budget

In Week 2 we will explore four different strategies for building the most fundamental of nonprofit financial statements, an organizational operating budget: setting annual organization outcome goals from the top down; setting annual income and expense targets from the top down; requesting draft budgets that show priorities from program or unit heads; and zero-based budgeting. We will also study the types of budgeting policies and procedures that facilitate effective budget building; and review how to create an annual budgeting calendar.

Week 3. Financial Policies and Procedures: The Framework of your Financial System

In Week 3 we will turn from developing the budget to policies and procedures that shape and support the budget process. Specifically, we will identify accounting controls and the system of managing the information to get accurate and timely reports. We will also review financial management policies and procedures and explore practices that minimize risk of inaccurate or incomplete financial reporting.

Week 4. Financial Reporting and Analysis

In Week 4 we will look at how to identify the strengths and weaknesses of an organization's existing financial management system, specifically budgeting and planning, cash flow management, accounting controls, software, tools, reporting and government compliance. In addition we will identify the difference between restricted and unrestricted funds and be able to reconcile reporting from accounting and fundraising. Of greatest importance, we will discuss how to interpret financial data and communicate financial position to internal and external stakeholders.

Week 5. Legal Reporting Requirements and Maintaining Tax-Exempt Status

In Week 5 we will cover guidelines for donor acknowledgements and IRS requirements for maintaining tax-exempt status. We will also demystify the Form 990, a key document that every executive director, finance director, development director, etc. should know inside and out. The bottom line here is making sure you know what it takes to maintain compliance with the IRS.