Course Description

This is a course in the fundamentals of budgeting and accounting for public, health, and not-for-profit organizations. Together, budgeting and accounting constitute financial management: a framework of tools and techniques by which all organizations plan for and control the use of financial resources, implement policies, and report on financial position and performance.

The first half of the course focuses on budgeting, or managerial accounting. 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. 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.

The course consists of lectures, exercises, review, and problem-based learning (PBL) spread across two class sessions each week. Weekly homework assignments will both reinforce course material and train students to use Microsoft Excel to perform financial calculations and create budgets and financial statements. In addition, weekly reading quizzes on the course Canvas site will incentivize students to prepare for class while providing them immediate feedback on their comprehension of the course material.

Nota Bene

This is a demanding course that requires your active participation both at home and in class. It is very difficult to catch up if you fall behind. When in doubt, come to office hours!
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 and a financial calculator to prepare financial statements and perform financial analyses.

NASPAA’s Universal Required Competencies

This course addresses all five of the Universal Required Competencies established by the Network of Schools of Public Policy, Affairs, and Administration (NASPAA). They are the ability to:

1. lead and manage in public governance
2. participate in and contribute to the policy process
3. analyze, synthesize, think critically, solve problems, and make decisions
4. articulate and apply a public service perspective
5. communicate and interact productively with a diverse and changing workforce and citizenry

Course Materials

1. Textbook


2. Financial Calculator

Please buy the HP10 BII (or the HP10 BII+). This calculator is widely available on Amazon.com and in office supplies stores. If you choose to use a different financial calculator, I will not be able to assist you with it. Also, please note that you will not be permitted to use calculators with graphing capabilities during the exams.
Course Website

I will post all electronic course-related materials to the course Canvas site at http://www1.udel.edu/canvas/. These include quizzes, slides, homework assignments, practice problems, solutions, and grades. You will submit quizzes and homework assignments via the Canvas site. In addition, I will send all course-related communications via Canvas.

Grading

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quizzes</td>
<td>10%</td>
</tr>
<tr>
<td>Homework Assignments</td>
<td>20%</td>
</tr>
<tr>
<td>Midterm Exam</td>
<td>35%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>35%</td>
</tr>
</tbody>
</table>

I do not assign letter grades on a fixed scale. Your letter grade will be based on where your course average lies in the class’s overall distribution.

Homework Assignments

There are 12 assignments, each worth 1% to 2% of your course average.

1. I grade assignments on the basis of completeness rather than accuracy. If you make a good-faith effort to 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.

2. You must submit assignments online via Canvas by 9:00 AM Monday each week.

3. I will not accept assignments via email, nor will I accept them after class.

4. You must complete the quantitative parts of your assignments in Excel and the written parts in Excel or Word. I will provide handouts to assist you with using Excel, and for some assignments I will post templates to Canvas.

5. You must write and submit your own assignments. I encourage you to work on the assignments in small groups, but two or more students turning in identical homework assignments constitutes an act of academic dishonesty.

Exams

You may bring your financial calculator, a standard non-graphing calculator, and one 8 ½-by-11 page of notes (front and back) to both the midterm and the final exam. Your notes may be either typed or handwritten. There are no restrictions on the font size or the contents of your page of notes. You will be asked to hand in your notes with the completed exam. The final exam is not cumulative; it covers the second half of the course only.
Course Expectations & Policies

1. Professional conduct.
   a. Adhere to the University of Delaware Code of Conduct.
   b. Be punctual.
   c. Complete all reading and homework assignments.
   d. Be respectful of your peers and professor.
   e. Hold yourself accountable for your own academic performance.

2. Electronic devices.
The only electronic devices you may use in class are: 1) a calculator, and 2) a laptop computer or tablet for notetaking and PBL. You must shut off all other electronic devices. I reserve the right to eject a student for using any other device or for using a laptop or tablet for any other purpose.

3. Missed classes and exams.
   I do not take attendance, and you do not need to inform me when you will miss class. You are, however, solely responsible for whatever you miss.

   There are no make-up exams except in cases of serious personal illness or serious illness/death within a student’s family, or other serious family emergency. Per University of Delaware policy, students must validate an excused absence by presenting evidence to the office of the Dean of the College of Arts & Sciences.

4. Extra credit.
   There are no “extra credit” assignments.

5. Student dishonesty.
   It is the official policy of the University of Delaware that all acts or attempted acts of alleged student academic dishonesty be reported to the Office of Judicial Affairs. At the faculty member’s discretion and with the concurrence of the student or students involved, some cases, though reported to the Office of Judicial Affairs, may be resolved within the confines of the course. All others will be adjudicated within the Undergraduate Student Judicial System. See the Student Guide to University Policies for complete information concerning this referral process.

6. Disability statement.
   Any student who thinks he/she may need an accommodation based on a disability should contact the Office of Disability Support Services (DSS) office as soon as possible. The DSS office is located at 240 Academy Street, Alison Hall Suite 130, Phone: 302-831-4643, fax: 302-831-3261, website: www.udel.edu/DSS. You may contact DSS at dssoffice@udel.edu.

7. Religious holidays.
   It is the policy of the University of Delaware not to cancel classes on religious holidays. However, students and faculty are encouraged to exercise their own judgment pertaining to their attendance on these days.
# Course Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Mon</th>
<th>Wed</th>
<th>Topic</th>
<th>Read before Monday</th>
<th>HW Due Monday 9:00 AM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2/6</td>
<td>2/8</td>
<td>Operating Budgets &amp; Cash Budgets</td>
<td>Chapters 1 &amp; 2</td>
<td>None</td>
</tr>
<tr>
<td>2</td>
<td>2/13</td>
<td>2/15</td>
<td>Flexible Budgets &amp; Break-Even Analysis</td>
<td>Ch. 3 to p. 87, Ch. 4 to p. 145, Appendix 4-A</td>
<td>HW 1: Jobs University</td>
</tr>
<tr>
<td>3</td>
<td>2/20</td>
<td>2/22</td>
<td>Cost Allocation &amp; Variance Analysis</td>
<td>Ch. 4 p. 145-end, Ch. 8 to p. 299</td>
<td>HW 2: QwikShare</td>
</tr>
<tr>
<td>4</td>
<td>2/27</td>
<td>3/1</td>
<td>Time Value of Money</td>
<td>Ch. 5 to p. 190, Appendices 5-A &amp; 5-B</td>
<td>HW 3: Dearborn Center</td>
</tr>
<tr>
<td>5</td>
<td>3/6</td>
<td>3/8</td>
<td>Capital Budgeting and Financing</td>
<td>Ch. 5 p. 190-end, Chapter 6</td>
<td>HW 4: Investment Management</td>
</tr>
<tr>
<td>6</td>
<td>3/13</td>
<td>3/15</td>
<td>Midterm Exam Review &amp; Case Studies</td>
<td>Case Study Handouts</td>
<td>HW 5: Harper Hospital</td>
</tr>
<tr>
<td>7</td>
<td>3/20</td>
<td>3/22</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8</td>
<td></td>
<td>No Class: Spring Break</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>4/3</td>
<td>4/5</td>
<td>The Balance Sheet</td>
<td>Chapters 7 &amp; 9</td>
<td>HW 6: City Cares</td>
</tr>
<tr>
<td>10</td>
<td>4/10</td>
<td>4/12</td>
<td>The Activity Statement</td>
<td>Ch. 10 to p. 371</td>
<td>HW 7: Forever Friends Rescue</td>
</tr>
<tr>
<td>11</td>
<td>4/17</td>
<td>4/19</td>
<td>Accounting for NFP and Health Orgs.</td>
<td>Ch. 11, Ch. 8 p. 299-end</td>
<td>HW 8: Child's Play, Part I</td>
</tr>
<tr>
<td>14</td>
<td>5/8</td>
<td>5/10</td>
<td>Government Budgeting and Accounting</td>
<td>Chapters 12 &amp; 13</td>
<td>HW 11: Do Something</td>
</tr>
<tr>
<td>15</td>
<td>5/15</td>
<td></td>
<td>Final Exam Case Study*</td>
<td>Case Study Handout</td>
<td>HW 12: Dennis Township</td>
</tr>
<tr>
<td></td>
<td>Date/Time TBD</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>5/15</td>
<td></td>
<td>Final Exam Case Study*</td>
<td>Case Study Handout</td>
<td>HW 12: Dennis Township</td>
</tr>
</tbody>
</table>

*Final Exam Review Session to be separately scheduled.*