

Course name	Finance and Budgeting for Arts Administrators I AMGT 704:2
Day/Time	Thursday/4:30 to 7:10 pm
Location	Founders Hall Room 206, Arlington Campus
Instructor	Christian Curtin
Instructor contact information	Cellular phone: 571.643.6015 Email: ccurtin2@gmu.edu
Required text¹	Zietlow, John; Hankin, Jo Ann; Seidner, Alan G. (2007) Financial Management for Nonprofit Organizations: Policies and Practices. Hoboken, New Jersey: John Wiley & Sons, Inc. ISBN-13: 978-0-471-74166-4
Other	QuickBooks software may be used during the class. If used, software will be provided in the classroom for in-class exercises. Other readings and case studies will be periodically assigned.

COURSE OVERVIEW

The educational imperative of this class is to provide students with knowledge that is immediately applicable to an arts leadership position. As such, the instructor will focus on:

- The basics of Generally Accepted Accounting Principles in the United States (“US GAAP”);
- How financial transactions are collected and recorded;
- The construction of nonprofit financial statements;
- How organizations report financial activities from a tax perspective;
- How other entities, such as banks, use a nonprofit organization’s financial reports;
- How donors monitor and analyze an organization’s financial reports;
- The importance of accurate, transparent, and informative financial reporting;
- Compliance with laws and regulations; and
- Building financial policies that protect the organization.

Nonprofit financial management processes are dynamic and the guiding requirements and practices evolve based on the respective authoritative bodies and industry activity. The instructor encourages students to focus on thoroughly understanding the mechanics and the value of proper accounting, controls, and financial reporting.

COMPOSITION OF GRADE

The instructor will attempt to balance the student’s efforts required for this course with other demands on the student. Student grades will be based on a combination of:

- Class participation (10%)
- Periodic quizzes (10%)
- Weekly writing assignments (10%)
- Midterm exam (20%)
- Final exam (20%)
- Analysis project (30%)

¹ The accounting industry has changed significantly since the publication of the required text. The instructor will deviate from the text when the instructor believes such a deviation is important to the students’ successful understanding of current accounting theory.

Extra Credit Opportunities and Extra Credit Points

The instructor highly values and recognizes effort. As such, the instructor will give extra credit opportunities (ECO) and award extra credit points (ECP). Students may use ECOs and ECPs toward their class participation, periodic quizzes, and weekly writing assignments. For example:

- ECO-1: A student completes an extra essay earning the right to skip one weekly writing assignment.
- ECP-1: Two students answer a particularly difficult question during class, each earning a ½ credit toward his or her participation in a single class.
- ECO-2: For four straight weeks, a student completes all assignments and participates significantly in the class, earning the right to skip one quiz.

ECO's and ECP's may be banked. It is the student's responsibility to inform the instructor when he/she wishes to use the credits earned.

Periodic Quizzes and Exams

Planned and surprise periodic quizzes will typically consist of 10 multiple choice questions. Exams will typically consist of 50 multiple choice questions and one or two short-essay question(s). If a student is ever unsure how to answer a question on either a quiz or exam, the instructor encourages the student to detail his or her assumptions and thoughts about the question because the student may receive partial credit.

Analysis Project

Each student will conclude on a nonprofit organization's financial health after analyzing the organization's audited financial statements (internal financial statements are not acceptable) and IRS Form 990.² Drawing conclusions about an organization's financial health from these documents will be difficult and time consuming. The instructor encourages students to (a) identify the nonprofit organization they wish to analyze as soon as possible and (b) leverage the organization's own communications (e.g., annual report) and related new stories to support their analysis.

² Because students will use an organization's annual financial statements and Form 990, students should ensure that the documents cover the same fiscal period. A nonprofit organization may not issue its Form 990 until 11 months after the end of any given fiscal year. To ensure the Form 990 covers the same fiscal period as the audited financial statements, the student should review Line A of the Form 990 cover page (section indicated below). The date after "...and ending" should be the same date listed as the fiscal year end in the audited financial statements. Students should ignore the form number (which is covered by an "X" below) when determining the fiscal period.

Form **990** **Return of Organization Exempt From Income Tax** OMB No. 1545-0047
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
▶ Do not enter social security numbers on this form as it may be made public.
2016
Open to Public Inspection

A For the 2016 calendar year, or tax year beginning **2016**, and ending **20**

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization
Doing business as
Number and street (or P.O. box if mail is not delivered to street address) Room/suite
City or town, state or province, country, and ZIP or foreign postal code

D Employer identification number
E Telephone number
G Gross receipts \$

F Name and address of principal officer:
H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
If "No," attach a list. (see instructions)

I Tax-exempt status: 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶
K Form of organization: Corporation Trust Association Other ▶
L Year of formation: **M** State of legal domicile:

Part I Summary

1 Briefly describe the organization's mission or most significant activities: _____

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets.

The project should:

- Be professional in appearance.
- Reflect proper grammar and sentence structure.
- Incorporate financial charts and colorful financial graphs. Projects that do not incorporate charts and graphs into the text will be immediately returned, ungraded, to the student for revision. Students may gather ideas for the project format by reviewing various organizations' financial reports (hint, financial statement footnotes) and the management discussion and analysis section of Securities and Exchange Commission (SEC) Forms 10-Q and 10-K.³
- Be no less than five and no more than 10 single space numbered pages. Succinctness will be critical.
- Not include a cover page.
- Include the student's name in *each* page footer.
- Be typed in 11 pt. Calibri font.
- Be submitted in a PDF.
- Be emailed to the instructor **by 11:59 pm Eastern Time on Saturday, November 18, 2017.**

If a student relies on sources other than the organization's financial statements and IRS Form 990 in his or her analysis, the student must include complete copies of each such source in an appendix to his or her submission. Source documents such as this do not count toward the page limitation.

References to the organization's financial statements and Form 990 should include sufficient information to allow the instructor to easily locate the referenced material. References to third party source material should be properly formatted in the Modern Language Association (a.k.a. MLA), American Psychological Association (a.k.a. APA), or Chicago Manual of Style (a.k.a. CMS) format. For a comparison of the three citation formats, visit <https://owl.english.purdue.edu/owl/resource/949/01/>.

Should a student wish to solicit the instructor's feedback on his or her project format during the semester, the student may share his or her project with the instructor.

Weekly Writing Assignments

At the beginning of the second class and each class thereafter through November 9, 2017, students should submit a written summary of a recent business-related article about a domestic or international arts organization or arts leader. The article is not required to be related to an arts organization's financials but it may not be programmatically oriented (i.e., season announcement, critique of performance, etc.). The assignment should:

- Provide a succinct summary of the primary message of the article.
- Be handed to the instructor at the beginning of each class before instruction begins.
- Include the student's name in the footer.
- Be typed in 11 pt. Calibri font and no more than 100 words.⁴
- Include a copy of the original article (attached).

³ The Securities Exchange Act of 1934 requires most SEC registrants (registrants are commonly referred to as either "public companies" or "publicly-traded companies") to file a quarterly report with the SEC on Form 10-Q ("Q" designates quarterly). The Form 10-Q includes condensed financial information and other data/information prepared by a company's accounting personnel and reviewed by the company's independent auditors. The purpose of Form 10-Q is to update information included in securities registration statements previously filed under the Securities Exchange Act of 1934. An annual filing is also required via a Form 10-K.

⁴ As a benchmark, from "At the beginning of the second..." through "Be typed..." in the fourth bullet constitutes 100 words.

GRADING SCALE

The grading scale for this course is:

Grade	A+	A	A-	B+	B	B-	C	F
Scale	97-100	93-96	90-92	87-89	83-86	80-82	70-79	0-69
Quality Points	4.00	4.00	3.67	3.33	3.00	2.67	2.00	0.00

Please note that an “A+” has the same quality points (4.00) as an “A.”

An incomplete grade may be given to a student who is passing this course but who may be unable to complete the scheduled coursework for a cause beyond the student’s reasonable control. If a student experiences such a situation, please contact the instructor as soon as possible after the event.

IMPORTANT COURSE INFORMATION

The instructor will use student’s George Mason University (University) email accounts to provide important information messages related to this class. See <http://masonlive.gmu.edu/> for more information. The instructor will only communicate with students through their University email accounts.

COURSE ATTENDANCE

Students are required to attend class. If a student must miss a class, the student must notify the instructor through his University email (if an emergency occurs, a text to the instructor is sufficient). All absences will be evaluated by the instructor when determining the class participation component of the student’s grade. If a student arrives late, please come into the classroom and settle in quietly. It is the student’s responsibility to complete any assignments missed due to a class absence.

COURSE ASSIGNMENTS DUE DATES

All assignments are due on the stated due date. Late work will only be accepted by prior arrangement with the instructor which must be coordinated well in advance of the assignment due date.

Late assignments will receive a grade but the instructor will not mark, correct, or provide recommendations to the student. Any work received more than one week (i.e., seven calendar days) after the due date will receive a grade of zero.

The mid-year exam will be timed and given during class. The final exam will be on Blackboard and must be completed no later than the due date and time. After the due date and time, the final exam will no longer be available on Blackboard. If a student does not complete the final exam by the due date and time, the student will receive a grade of zero for the final exam (unless there are unavoidable extenuating circumstances that are discussed with the instructor in advance).

Periodic quizzes and exams will include material from assigned readings regardless of whether the material is specifically covered in class. Alternatively, quizzes and exams will include material covered in class regardless of whether the material is in the assigned readings.

CLASSROOM ENVIRONMENT

Class participation is an important component of each student’s grade. The instructor strongly encourages students to actively participate in classroom discussion and debate. During classroom discussion and debate, the instructor requires each student to respect differing ideas, perspectives, and traditions. Furthermore, the instructor requires each student to conduct himself or herself with civility in all aspects of the class. If a student

has any questions or concerns of any kind, please seek guidance and clarification from either the instructor or the University.

Regarding:

- Electronic devices: The instructor requires students to silence all electronic devices during class time. The instructor respects that each student has responsibilities to his or her family, friends, and significant others. A student may, without penalty, periodically check his or her electronic device during class. If a circumstance that requires more than momentary attention arises, the instructor requests that the impacted student excuse himself or herself from the classroom out of respect for the other classroom students.
- Food and beverages: The instructor permits food and beverages in the classroom barring an explicit preclusion of food and beverages by the University. The instructor expects students to be respectful of the other classroom students by minimizing the disruption that may be caused by eating and drinking. Additionally, the instructor requires each student who chooses to eat or drink in the classroom to return the classroom to the condition it was prior to the class.
- Breaks: The instructor will give one or two breaks during class. If a student feels that they need an unscheduled break during a portion of the lesson, the student may excuse himself or herself. The instructor requests that students attempt to minimize the disruption to the other classroom students.
- Recording classes: A student may record the audio of the lesson and take pictures of presented materials (the instructor will post all presentations to Blackboard after each class so there is no need to take pictures of the presentation). The instructor requests that students respect the fact that the material constitutes the instructor's intellectual property and that the material is solely for the student's personal use. As such, a student is not permitted to reproduce the lesson in any way, including posting the lesson on any media-sharing, social, or other website/app. If a student has any question, please contact the instructor.

WEEKLY COURSE OUTLINE

Each student must submit an introduction document (format at the discretion of the student) to the instructor either prior to (via email) or at the beginning of the first class. The introduction should include:

- Student's name, University email address, and brief biography;
- Student's personal objectives for the course;
- Student's favorite author, poet, or artist and why;
- The name of someone famous (living or dead) with whom you would want to have dinner and why;
- Something important the instructor should know about you (e.g., strength, weakness, area of concern).

Should a student so desire, he or she may include a photo to assist the instructor in associating names with faces.

In the following course outline, the required text is referred to as "Zietlow."

Week	Date	Zietlow Reading	Focus
1	8/31/17	Chap. 1	<ul style="list-style-type: none"> • Introduction and overview • Nonprofit organization legal and structural overview • Comparison of for profit and nonprofit • US GAAP • External auditors • Authoritative bodies: FASB and AICPA • Cash vs. accrual accounting • Basic accounting equation
2	9/7/17	Chap. 2	<ul style="list-style-type: none"> • SUBMIT ANALYSIS PROJECT COMPANY PRELIMINARY NAME • Liquidity management in nonprofits (cash is king) • Organizational stability • Stability of revenue sources • Chart of accounts
3	9/14/17 ⁵	Chap. 6	<ul style="list-style-type: none"> • SUBMIT ANALYSIS PROJECT COMPANY FINAL NAME • Statement of Financial Position (SOFP) • Building a SOFP
4	9/21/17 ⁶	Chap. 6 (Continued)	<ul style="list-style-type: none"> • Statement of Activities (SOA) • Building a SOA
5	9/28/17 ⁹	Chap. 6 (Continued)	<ul style="list-style-type: none"> • Review SOFP and SOA • Statement of Cash Flows (SOCF) • Building a SOCF
6	10/5/17 ⁹	Chap. 6 (Concluded)	<ul style="list-style-type: none"> • Statement of Functional Expenses • Footnotes to the financial statements • Disclosure
7	10/12/17 ⁷	N/A	<ul style="list-style-type: none"> • Tax reporting • Form 990 (content and public availability, Guidestar, Charity Navigator) • Form 990-T: Unrelated Business Income
8	10/19/17	Chap. 7	<ul style="list-style-type: none"> • MIDTERM EXAM (1/2 of class) • Financial reports and financial ratios • Internal control mechanisms • Internal reports • Public external report
9	10/26/17	Chap. 10, Chap. 11	<ul style="list-style-type: none"> • Cash management • Nonprofits and banking • Short-term investments • Short-term borrowing • Tax-exempt borrowing

⁵ Download, print, and bring the fiscal year 2016 audited financial statements for National Public Radio, Inc. (NPR) located here: <http://www.npr.org/about-npr/178660742/public-radio-finances>

Financial Reports

The consolidated financial statements for NPR include the accounts of NPR, Inc.; NPR

Audited Financial Statements (2)
Consolidated: FY2014 / FY2015 / FY2016

⁶ Bring NPR financial statements

⁷ Download, print, and bring the fiscal year 2016 National Public Radio, Inc. (NPR) IRS Forms 990 and 990-T located here (will be available August 16, 2017): <http://www.npr.org/about-npr/178660742/public-radio-finances>

IRS 990 Filings IRS 990T Filings
NPR, Inc.: FY2013 / FY2014 / FY2015 NPR, Inc.: FY2013 / FY2014 / FY2015

Week	Date	Zietlow Reading	Focus
10	11/2/17	Chap. 12	<ul style="list-style-type: none"> • Endowment and investing • Investment policies and role of committees • Asset allocation • Total return and spending rate policies • Investment advisors
11	11/9/17	Chap. 4	<ul style="list-style-type: none"> • Ethics • Accountability • Internal controls • State attorney general • Sarbanes–Oxley Act of 2002 (Pub.L. 107–204, 116 Stat. 745, enacted July 30, 2002); a.k.a. "Public Company Accounting Reform and Investor Protection Act" (in the Senate) and "Corporate and Auditing Accountability, Responsibility, and Transparency Act" (in the House) and more commonly called Sarbanes–Oxley
12	11/16/17	Chap. 5	<ul style="list-style-type: none"> • Financial policies • Importance of financial policies • Monitoring and developing financial policies
N/A	11/18/17	N/A	<ul style="list-style-type: none"> • ANALYSIS PROJECT DUE BY 11:59 PM Eastern Time
N/A	11/23/17	No class	<i>Enjoy Thanksgiving recess!</i>
13	11/30/17	Chap. 13	<ul style="list-style-type: none"> • Information technology • Data management and security • Industry trends • Technology investment
14	12/7/17	Chap. 14	<ul style="list-style-type: none"> • Risk management • Personnel risk • Board of Director risk • Insurance • Disaster preparedness
N/A	TBD ⁸	N/A	<ul style="list-style-type: none"> • FINAL EXAM (ONLINE)

UNIVERSITY CATALOG

The University Catalog⁹ is the central resource for policies affecting student conduct in University affairs.

UNIVERSITY HONOR CODE

The University is an Honor Code university. The Honor Code¹⁰ states:

To promote a stronger sense of mutual responsibility, respect, trust, and fairness among all members of the George Mason University Community and with the desire for greater academic and personal achievement, we, the student members of the university community, have set forth this Honor Code: Student members of the George Mason University community pledge not to cheat, plagiarize, steal, or lie in matters related to academic work.

The instructor highly respects and unequivocally supports the principle of academic integrity. Academic integrity means that each student is responsible for a task and the student will perform that task himself or herself. When a student relies on someone else's work, the student will give full credit in the proper, accepted

⁸ The instructor will establish the final exam date with students before the Thanksgiving recess; University faculty may not hold final exams, per University policy, on either December 11th or 12th

⁹ Located at <http://catalog.gmu.edu>

¹⁰ Located at <http://oai.gmu.edu/wp-content/uploads/2016/08/2016-2017-Honor-Code-and-Honor-System-Final.pdf>

form. Violations are very serious and will be gravely treated. Please see the University Catalog for a fuller description of the Honor Code and the Honor Committee process.

DISABILITY AND ACCOMMODATION NEEDS

As part of the University's continuing commitment to upholding the letter and spirit of the laws that ensure equal treatment of people with disabilities, the University maintains disability services. The Disability Resource Center (DRC), which is under the administration of University Life, implements and coordinates reasonable accommodations and disability-related services that afford equal access to university programs and activities.

The DRC¹¹ collaborates with students with documented disabilities, and the student's instructors, to provide reasonable accommodations, auxiliary aids, and support services that are individualized and based on documentation and a person-to-person interview and assessment of needs. Students are responsible for communicating with DRC staff for any needs. To receive accommodations, students should complete submit an intake form and documentation of disability as well as participate in an initial intake interview to discuss accommodations.¹²

While it is each student's responsibility to request and distribute faculty disability contact sheets to instructors, the instructor requests that a student inform the instructor that he/she is pursuing disability assistance so that the instructor may support the student's efforts.

Any student who has concerns should follow the University's Disability Services Grievance Procedures.

MASON ALERT EMERGENCY NOTIFICATION SYSTEM (MASON ALERT)

Mason Alert is the University's emergency notification system that is used to send emergency notifications and timely warnings to the University community via text, email, telephone call, and digital signage. All University students and employees are automatically enrolled in Mason Alert and are strongly advised to register cell phone number(s) and additional email addresses to ensure emergency messages are received in a timely manner.

A student may log in to his or her Mason Alert account by navigating to <https://ready.gmu.edu/masonalert/> and clicking on the button indicated to the right. The student will then be redirected to the student and employee portal. A student should only use the first portion of his or her email address before the @ symbol as the student's username. The student's password is his or her normal PatriotPass password. This portal will allow students to change his or her notification preferences and registered devices.



Please refer to the emergency poster exist in each classroom explaining what to do in the event of crises. Further information about emergency procedures exists on <https://ehs.gmu.edu/emergencymanagement/>.

¹¹ DRC contact number is 703.993.2474

¹² For further discussion, see <http://ds.gmu.edu/home/getting-started/>

OTHER CAMPUS RESOURCES

Below are other useful University resources available to students:

The Writing Center

- Robinson Hall A, Room 114, Fairfax Campus
- Phone: 703.993.1200
- Email: wcenter@gmu.edu
- Website: <http://writingcenter.gmu.edu/>

University Libraries

- "Ask a Librarian"
- Website: <http://library.gmu.edu/ask?r=t>

Counseling and Psychological Services

- Phone: 703.993.2380
- Website: <https://caps.gmu.edu/>
- Student Support: 703.993.3686
- Mason Police: 703.993.2810
- CrisisLink: 703.527.4077
- National Suicide Prevention Lifeline: 800.273.8255
- Veteran's Crisis Hotline: 877.838.2838
- GMU 24-hour Sexual Assault and Intimate Partner Violence Hotline: 703.380.1434