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# Financial Essentials for nonprofit Managers



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## PREFACE

Managers of nonprofit organizations generally are not skilled in financial matters. Or, managers are often preoccupied with its welfare objectives and ignore the operations efficiency and operating cost controls. A series of appropriate questions that nonprofit financial managers must address in connection with an organization's financial condition and activity include: 1. Do we have a profit or a loss? 2. Do we have sufficient reserves? 3. Are we liquid? 4. Do we have strong internal controls? 5. Are we operating efficiently? 6. Are we meeting our budget? 7. Are our programs valid? 8. Are we competing successfully? 9. Is our prioritizing of programs and activities reasonable?

The course is an attempt to help answer these questions. Furthermore, it attempts to address recent management planning tools, such as time series forecasting, aggregate production planning, ABC analysis, and material requirements planning, to facilitate better demand and resource management.

The course will be quite different from other courses in many ways:

1. It is practical and reader friendly.
2. It is up-to-date and comprehensive, covering all *new* developments in finance pertinent to the nonprofit sector.
3. There are many case studies, examples, and illustrations.
4. There is heavy emphasis on the use of financial software.
5. It is directed toward the practitioner.
6. It applies to all nonprofit organizations including colleges, hospitals and health care, libraries, charities, performing arts, religious institutions, community services, professional societies, fraternities, private foundations, museums, and research and scientific organizations.
7. It can be used by all people directly or indirectly involved with nonprofit entities including general managers, accountants, controllers, treasurers, financial managers, CFOs, attorneys, fund-raisers, and politicians.

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