

Nonprofit Accounting: *A Practical Guide*

Course Description

This course provides a detailed overview of major nonprofit areas for the finance professional or board member. This publication is a great resource for any new controller, manager, board member, or CFO working in the nonprofit sector. Each chapter covers an important topic within the nonprofit world, combining theory and practical information to make the issues clear and simple. The material is based on IRS, Financial Accounting Standards Board (FASB), and other government publications, including the “Super Circular,” the new federal grant guide. Please note that, like everything in life, things change, and you must keep up with the modifications in the law and accounting regulations.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

Course Level: Overview. This program is appropriate for professionals at all organizational levels.

CPE Credits: 9 (CPA)

Category: Accounting

Prerequisite: None.

Advanced Preparation: None

Course Learning Objectives

Chapter 1: Introduction

Chapter 2: Fundamentals of Accounting

1. Recognize the steps for nonprofit status
2. Identify a form 1023
3. Recognize a 501(3)c tax exemption
4. Identify the determination letter

Chapter 3: Typical Structure of Nonprofits

1. List the three main operational areas of a nonprofit organization
2. Identify the program area
3. Recognize the management, general, and fundraising

Chapter 4: Accounting Basics

1. Distinguish between cash versus accrual basis of accounting
2. Recognize the main fund/net assets types
3. Identify the temporarily restricted net asset
4. Classify transactions among the basic funds/net assets
5. Identify "Release of net assets" accounts and explain usage
6. Recognize the chart of account of a nonprofit

Chapter 5: Revenue Types and Issues

1. List the types of revenues
2. Recognize the accounting treatment for cash, checks and credit card donations
3. Identify how to handle stock donations in accounting
4. Recognize how to account for pledges
5. Identify fundraising activities and how to account for them
6. Identify the requirements for revenue to be classified as unrestricted, temporarily restricted, or permanently restricted
7. Recognize the IRS receipt requirements
8. Identify the accounting treatment in-kind contributions and museum pieces

Chapter 6: Government Grants

1. Recognize essential grant management topics
2. Identify direct and indirect costs
3. Recognize the basics of indirect cost rates
4. Recognize grant audits

Chapter 7: Financial Statements

1. Recognize the main financial statements of a nonprofit
2. Identify the functions of each financial statement
3. Identify the basic formulas behind the financial statements
4. Recognize basic accounts presented in the financial statements

Chapter 8: Taxation

1. Identify basic tax returns of nonprofits

2. Recognize sales and payroll tax issues of nonprofits
3. Identify the 990 parts
4. Recognize the IRS filing requirements
5. Identify unrelated business income tax

Chapter 9: Internal Controls

1. Identify basic internal control concepts
2. Recognize segregation of duties
3. Recognize policies and procedures
4. Identify risks and controls for cash, receivables and revenues
5. Recognize risks and controls for accounts payable and expenses
6. Identify risks and controls for payroll
7. Identify risks and controls for information systems

Chapter 10: Special Considerations

1. Recognize budgeting for a nonprofit
2. Identify joint costs
3. Recognize nonprofit's risks of losing the tax exemptions
4. Identify the nonprofit's risk with pledges
5. Identify human resources issues with nonprofits.