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Course Information

Course Title: Nonprofit Accounting #361223

Number of continuing education credit hours recommended for this course:

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour.

CPA: 16 (All states)

National Registry of CPE Sponsors ID Numbers:

Registry: 107615.

Quality Assurance Service (QAS) ID number: 050.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy (for ethics): 002146

Ohio State Board of Accountancy: M0021

Texas State Board of Accountancy: 009349

Course Description

This practical guide shows how to create and operate a nonprofit accounting system and produce financial statements, all while operating in accordance with nonprofit accounting standards. The course walks the accountant through basic nonprofit accounting concepts and then discusses more advanced topics, including budgeting, controls, ratio analysis, revenue recognition, joint costs, split-interest agreements, tax reporting, and mergers and acquisitions. In short, the course offers a wealth of information for understanding nonprofit transactions and financial statements.

Course Content

Publication/Revision date: 3/7/2023.

Author: Steven M. Bragg, CPA.

Final exam (online): Eighty questions (multiple-choice).

Program Delivery Method: NASBA QAS Self-Study (interactive)

Subject Codes/Field of Study: Accounting

Course Level, Prerequisites, and Advance Preparation Requirements

Level: Overview

Prerequisites: Basic familiarity with accounting practices.

Advance Preparation: None

Instructions for Taking This Course

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- You must complete this course within one year of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- To retain the course-PDF after completion (for future reference) and to enable enhanced navigation: From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- Complete the course by following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- Once you have completed studying the course and you are confident that the learning objectives have been met, answer the final exam questions (online).

Instructions for Taking the Online Exam

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- A passing grade of at least 70% is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Assignment & Objectives

- Cite the criteria used to define a nonprofit organization.
- Specify the essential building blocks of an accounting system.
- Identify the types of nonprofit financial statements and the comparable for-profit financial statements.
- Specify the instances in which revenue and gains can be recognized by a nonprofit.
- Cite the methods used to assign costs to a grant-funded program.
- State the applicable rules related to the recognition of investment assets.
- Identify the costing characteristics of the various cost layering methodologies.
- Identify the options available for recognizing a collection.
- Recall how the 12-month lease exception works.
- Specify the different types of lease payments.
- Recognize the components of net periodic pension cost, and the accounting for a defined contribution plan.
- Identify the types of joint costs, and the tests used to determine whether fundraising costs can be allocated.
- Define the situations in which accounting principles can be changed, and when retrospective application is allowed.
- State the concept of the principal market and the basis upon which fair value is determined.
- Cite the accounting for a contribution receivable, as well as the steps involved in a petty cash reconciliation.
- Identify the accounting associated with split-interest agreements, as well as the nature of lead and remainder interests.
- Specify the circumstances under which the reporting consolidation of two or more entities is required or allowed.
- Recognize the situations in which the carryover and acquisition methods are used, and whether goodwill or an inherent contribution can be recorded for an acquisition transaction.
- State the IRS forms used for various nonprofit tax reporting activities, and the circumstances under which they must be filed.
- Cite the steps involved in closing the books at the end of a reporting period.
- Identify the line items used in nonprofit budgets and cash forecasts.
- Specify the considerations to be reviewed when creating controls, as well as the controls employed in the cash, fixed asset, payables, and other accounting areas.
- Recognize the considerations involved in setting policies for collections, asset dispositions, and employee labor.
- Cite the types of analysis that can be employed to yield insights into the financial condition and fundraising effectiveness of a nonprofit.

About the Author

Steven Bragg, CPA, has been the chief financial officer or controller of four companies, as well as a consulting manager at Ernst & Young. He received a master's degree in finance from Bentley College, an MBA from Babson College, and a Bachelor's degree in Economics from the University of Maine. He has been a two-time president of the Colorado Mountain Club, and is an avid alpine skier, mountain biker, and certified master diver. Mr. Bragg resides in Centennial, Colorado. He has written more than 250 books and courses, including New Controller Guidebook, GAAP Guidebook, and Payroll Management.

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