



## **Part I. Tools for Financial Planning**

### **1. Revenue Forecasting**

- Learning Objectives
- Concepts and the Tool
  - Simple Moving Average (SMA)
  - Exponential Smoothing (EXS)
  - Transformation Moving Average (TMA)
  - Regression Against Time (Regression)
  - A Quasi-Causal Forecasting Model
  - Determining Forecast Accuracy
- A Case Study
  - Step 1: Cleaning the Data
  - Step 2: Choosing the Forecasting Technique
  - Step 3: Forecasting
  - Step 4: Monitoring Forecasting Performance

### **2. Resource Development Analysis**

- Learning Objectives
- Concepts and the Tool
  - Defining the Issue: Revenue Shortage
  - Estimating Revenue Shortage
  - Developing Revenue Options
  - Assessing Revenue Options
  - Making Decisions
- A Case Study
  - Step 1: Defining the Issue
  - Step 2: Estimating Revenue Shortage
  - Step 3: Developing Revenue Options
  - Step 4: Assessing Revenue Options
  - Step 5: Making Decisions.

### **3. Cost Estimation**

- Learning Objectives
- Concepts and the Tool
  - Cost Classification
  - Total Cost Estimation
  - Average Cost Estimation
- A Case Study
  - Step 1: Determination of Personnel Costs
  - Step 2: Determination of Operating Costs
  - Step 3: Determination of Capital Costs

- Step 4: Determination of Total Program Cost
- Step 5: Determination of Average Cost

#### **4. Cost Comparison**

- Learning Objectives
- Concepts and the Tool
- A Case Study
  - Step 1: Estimation of Project Costs
  - Step 2: Determination of Present Value of Cost
  - Step 3: Making Decisions

#### **5. Incremental Cost Analysis**

- Learning Objectives
- Concepts and the Tool
- A Case Study
  - Step 1: Examining Each Cost Item
  - Step 2: Determining Incremental Cost (or Marginal Cost, if Necessary)
  - Step 3: Making Decisions

#### **6. Cost Benefit Analysis**

- Learning Objectives
- Concepts and the Tool
  - Introduction to Cost Benefit Analysis
  - Issues in Cost Benefit Analysis
- A Case Study
  - Step 1: Formulating the Question in Cost-Benefit Analysis
  - Step 2: Determining the Benefit
  - Step 3: Determining the Cost
  - Step 4: Determining the Discount Rate
  - Step 5: Calculating Net Present Value
  - Step 6: Making Decisions

### **Part II. Tools for Financial Implementation**

#### **7. Financial Performance Monitoring**

- Learning Objectives
- Concepts and the Tool
  - Determining Monitoring Indicators
  - Detecting Unacceptable Performance
  - Understanding the Causes and Taking Actions
- A Case Study
  - Step 1: Determining and Accessing to Individual Financial Indicators
  - Step 2: Detecting Unacceptable Performance
  - Step 3: Understanding Causes of Underperformance
  - Step 4: Developing a Monitoring Report

## **8. Cash Management: Determining the Optimal Cash Balance**

- Learning Objectives
- Concepts and the Tool
  - Creating a Cash Budget
  - Determining the Optimal Cash Balance
- A Case Study
  - Step 1: Data Collection and a Review of the Data
  - Step 2: Use of the Miller-Orr Model
  - Step 3: Conducting the Analysis
  - Step 4: Making Decisions

## **Part III. Tools for Financial Reporting and Analysis**

### **9. Financial Reporting and Analysis: The Statement of Net Assets and the Statement of Net Position**

- Learning Objectives
- Concepts and the Tool
  - What Information Is in the Statement of Net Assets?
  - What Information Is in the Statement of Net Position?
  - The Accounting Process
  - Principles that Govern Accounting Practices
- A Case Study
  - Step 1: Reviewing and Analyzing this Year's Statement of Net Assets
  - Step 2: Comparing with Last Year's Statement
  - Step 3: Searching for Solutions and Taking Actions

### **10. Financial Reporting and Analysis: The Statement of Activities**

- Learning Objectives
- Concepts and the Tool
  - What Information Is in the Statement of Activities?
  - Accounting Bases
- A Case Study
  - Step 1: Examining the Statement of Activities
  - Step 2: Comparing with Last Year's Statement
  - Step 3: Searching for Solutions and Taking Actions

### **11. Financial Reporting and Analysis: Fund-level Statements**

- Learning Objectives
- Concepts and the Tool
  - Governmental Funds
  - Proprietary Funds
  - Fiduciary Funds
- A Case Study
  - Step 1: Reviewing the Fund Statements
  - Step 2: Comparing with Last Year's Statements
  - Step 3: Analyzing the Issues

- Step 4: Searching for Solutions

## **12. Financial Condition Analysis**

- Learning Objectives
- Concepts and the Tool
  - What is Financial Condition Analysis?
  - Determining Measures in FCA
  - Identifying Any Warning Trend of Deteriorating Financial Condition
  - Specifying the Relationship
  - Explaining the Relationship
  - FCA Report Writing
- A Case Study
  - Step 1: Defining the Scope of the Analysis
  - Step 2: Determining Measures and Collecting Data
  - Step 3: Identifying Warning Trends
  - Step 4: Specifying the Relationships
  - Step 5: Explaining the Relationships
  - Step 6: Taking Actions to Improve Financial Condition

## **13. Debt Capacity Analysis**

- Learning Objectives
- Concepts and the Tool
  - Types of Debt
  - Debt Capacity Analysis: A Simple Example
  - Assessing the Current Debt Level
  - Determining the Debt Capacity
  - Determining the Additional Debt Capacity
  - Determining the Future Debt Capacity
- A Case Study
  - Step 1: Calculating the Current Debt Level
  - Step 2: Determining the Debt Capacity
  - Step 3: Determining the Additional Debt Capacity
  - Step 4: Determining the Future Debt Capacity
  - Step 5: Preparing a Debt Capacity Report

## **14. Financial Risk Assessment: Analyzing the Risk of Revenue Loss**

- Learning Objectives
- Concepts and the Tool
  - What Is Financial Risk?
  - How to Measure the Risk of Revenue Loss
  - How to Reduce the Risk of Revenue Loss
- A Case Study
  - Step 1: Developing the Purpose of the Analysis
  - Step 2: Identifying Major Revenue Sources and Estimating Revenue Risks
  - Step 3: Analyzing the Risks

○ Step 4: Making Recommendations to Reduce the Risk

- Appendix A: Introduction to Microsoft Office Excel
- Appendix B: Exercise Answers
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