
TABLE OF CONTENTS

Chapter 1: Not-for-Profit Organizations	1
Who's in Charge of Accounting Rules?	1
What Should Be the Form and Content of Financial Statements?	2
What Is an Endowment?	5
Reporting Revenues and Expenses	7
Reporting Cash Flows	12
What Are the Main Types of Contributions, and How Should Pledges Be Accounted For?	16
When Should Use-Restricted (Purpose-Restricted) Contributions Be Recognized?	20
Should Noncash Contributions Be Recognized?	22
Should Receipts of Collection Items Be Recognized as Revenues?	26
When Should Conditional Promises Be Recognized?	27
How Should "Pass-Through" Contributions Be Accounted For?	28
When Should Gains and Losses on Investments Be Recognized?	31
Should Endowment Gains Be Considered Net Additions to Principal or Expendable Income?	32
How Should Depreciation Be Reported?	34
What Issues Does a Not-For-Profit Face in Establishing Its Reporting Entity?	36
How To Determine the Costs of Fundraising Activities	47
Criteria for Allocating a Portion of Costs to Program or Management Functions	47
How Can a Not-for-Profit's Fiscal Condition Be Assessed?	50
Summary	55
Chapter 1: Test Your Knowledge	57
Chapter 1: Solutions and Suggested Responses	59
Chapter 2: Colleges and Universities	61
What Unique Issues Do Colleges and Universities Face?	61
Standards for Public Colleges and Universities	63
Standards for Private Not-for-Profit Colleges and Universities	68
Accounting for Revenues and Expenses	69
Other Issues	74
Evaluating the Fiscal Wherewithal of Colleges and Universities	84
Summary	87
Chapter 2: Test Your Knowledge	89
Chapter 2: Solutions and Suggested Responses	91
Chapter 3: Health-Care Providers	93
What Unique Issues Do Health-Care Providers Face?	95
What Are the Key Differences Between Private Not-for-Profit and Government Health-Care Providers?	96
What Are the Basic Financial Statements?	96
How Are Key Revenues and Expenses Recognized?	101
How Can the Fiscal Wherewithal of Health-Care Organizations Be Evaluated?	115
Summary	119

Chapter 3: Test Your Knowledge	121
Chapter 3: Solutions and Suggested Responses	123
Glossary	125
Index	127
Final Exam Copy	129