STS 5XXX
Finance for Projects and Grants

Spring 2019

Instructor:
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Format: Fourteen weeks with one 50-minute session each week
Credit: 1
Grading Basis: Individual Assignments will be graded but Satisfactory or Unsatisfactory will be recorded on transcript

Overview

This course introduces graduate students to financial projection and analysis concepts which will help them succeed as project and grant managers. Students will understand the process and skills needed to successfully create robust financial models for projects and manage ongoing financial reporting and communication.

Background: As undergraduates, students often conduct research as individual contributors to a larger project rather than leading the research projects. When they become graduate students, they are in positions to lead research projects and are unlikely to have prior experience with financial projections or analysis; we must teach them the basics of financial management and modeling to enable them to be successful leaders who can both submit and manage research and grant proposals with reasonable financial models.

The "Finance for Grants and Projects" class will cover basic topics in financial modeling and analysis to enable students with no prior experience in finance or accounting to create, understand, and manage basic financial reports. The course's structure and content will focus on developing financial knowledge and skills for activities with defined start and end dates such as research projects or grants and will not focus on financial analysis for going concerns such as businesses. Masters and PhD students in Engineering often have opportunities to apply for research grants and other sources of funding, and most such applications require financial projections for the proposed research project. The "Finance for Grants and Projects" course would teach students who have not taken a finance or accounting course the basic information needed to create a compelling financial model for such project-based activities.
Learning Objectives

By the end of the class, students will be able:

- Build thoughtful and factually-grounded financial projections for projects
- Understand and interpret basic financial statements
- Manage the ongoing process of analyzing and reporting financial performance against projections

Readings and Course Materials

Along with a number of reports and articles available on Collab, we will be drawing on the following sources:


Course Pack containing the following cases:
- Garden Place (UVA-C-2150)
- Bellaire Clinical Labs, Inc. (A) (UVA-C-2178)
- Bellaire Clinical Labs, Inc. (B) (UVA-C-2179)
- Risk Analysis for Merck and Company: Product KL-798 (UVA-QA-0600)


In addition to these readings, we may use several videos in this course, and we will provide links to them by email and in Collab.

Assignments

To develop hands-on experience creating and interpreting financial reports, we will be using a mix of ungraded and graded assignments in this class:

Ungraded:
- Project or Grant Financial Statement [Draft 1]
- Class Case Presentation – Powerpoint deck

Graded:
- Project or Grant Financial Statement [Draft 2] 15%
- Class Case Presentation 20%
Class Participation 20%
Project or Grant Financial Statement 30%
Project or Grant Financial Statement – Presentation 15%

All assignments are due at class time or no later than 5 PM on the day listed below. Unless instructed otherwise, please submit one printed copy of each assignment.

Your class participation grade is based on regular and thoughtful contributions to discussion and exercises in class, drawing on the assigned readings. It is not sufficient to merely attend class.

For each student, we will report to the Registrar either Satisfactory [S] or Unsatisfactory [U]. To receive Satisfactory, you must have a final average of a B or better.

If you receive a B or lower grade on a particular assignment, we encourage you to make an appointment to come and see us. We are happy to provide individual advice.

Honor Code

We trust that every student in this course will comply with all of the provisions of the University's Honor Code. By enrolling in this course, you have agreed to abide by and uphold the Honor System of the University of Virginia, as well as the following policies specific to this course.

- All graded assignments must be pledged.
- All students will read the assignments carefully and follow directions completely.
- Team and or group assignments will be clearly noted, otherwise all work is based on individual work.
- All outside references or resources will be cited according to UVA guidelines.
- All individual assignments will include a signed honor statement, “On my honor as a student, I have neither given nor received aid on this assignment/examination. The University of Virginia has an honor code, formally known as the Honor System.”
- All group or team assignments will include the following statement signed by each member of the team, “On our honor as a collaborative team, we have neither given nor received aid on this assignment/examination. The University of Virginia has an honor code, formally known as the Honor System.”

Suspected violations will be forwarded to the Honor Committee, and you may, at our discretion, receive an immediate zero on that assignment regardless of any action taken by the Honor Committee.

Please let us know if you have any questions regarding the course Honor policy. If you believe you may have committed an Honor Offense, you may wish to file a Conscientious Retraction by calling the Honor Offices at (434) 924-7602. For your retraction to be
considered valid, it must, among other things, be filed with the Honor Committee before you are aware that the act in question has come under suspicion by anyone. More information can be found at http://honor.virginia.edu. Your Honor representatives can be found at: http://honor.virginia.edu/representatives.

UVA Statement of Disabilities

The University of Virginia strives to provide accessibility to all students. If you require an accommodation to fully access this course, please contact the Student Disability Access Center (SDAC) at (434) 243-5180 or sdac@virginia.edu. If you are unsure if you require an accommodation, or to learn more about their services, you may contact the SDAC at the number above or by visiting their website at http://studenthealth.virginia.edu/student-disability-access-center/faculty-staff.
Schedule

Class 1: 1/23 Class Intro
Read (OPTIONAL): FFNM Chapter 1, ("Counting the Beans: Why Good Financial Information Is Critical to You")
Read: (OPTIONAL) FFNM Chapter 2, ("The Structure and Interrelationship of Financial Statements")
What is Project / Grant Finance?
Class overview

Class 2: 1/30 Basics of Financial Statements (1 of 2)
Read: (case) Garden Place (UVA-C-2150)
Read: FFNM Chapter 2, ("The Structure and Interrelationship of Financial Statements")
Read: FFNM Chapter 3, ("The Balance Sheet: A Basic Summary of Value and Ownership")

Class 3: 2/6 Basics of Financial Statements (2 of 2)
Read: (continued) Garden Place (UVA-C-2150)
Read: FFNM Chapter 4, ("The Income Statement: The Flow of Progress")
Read: FFNM Chapter 5, ("Profit versus Cash Flow: What's the Difference-and Who Cares?")

Class 4: 2/13 Basics of Financial Management
Read (or re-read): FFNM Chapter 1, ("Counting the Beans: Why Good Financial Information Is Critical to You")

Class 5: 2/20 Financial Projections
Read: FFNM Chapter 11, ("Business Planning: Creating the Future You Want, Step-by-Step")
Read: FFNM Chapter 7, ("Key Performance Indicators: Finding the 'Hidden' Information")

Class 6: 2/27 Project Financial Projections – Case
PRESENTATION #1
Read: "Orange County Choppers (OCC)" Located on Collab
FIRST DRAFT OF PROJECT OR GRANT FINANCIALS DUE

Spring Break: 3/6

Class 7: 3/13 Advanced Project Financial Projections – Case
PRESENTATION #2
Read: "Kayak-able" Located on Collab
Video – Discounted Cash Flow- https://www.youtube.com/watch?v=Ja8vu_leDio

Class 7: 3/20 Turning a Project Plan into Projections – Case
PRESENTATION #3
Read: Bellaire Clinical Labs, Inc. (A) (UVA-C-2178)

Class 8: 3/27 Financial Management – Actuals vs. Projections – Case
PRESENTATION #4
Read: Bellaire Clinical Labs, Inc. (B) (UVA-C-2179)
SECOND DRAFT OF PROJECT OR GRANT FINANCIALS DUE

Class 9: 4/3 Creating Grant Budgets
Read: prolifica.org article on “Grant Proposal Budgets”

Class 10: 4/10 Grant Financial Reporting and Controls
Read: prolifica.org article on “Grant Proposal Budgets”

Class 11: 4/17 Project Commercialization
Read: Risk Analysis for Merck and Company: Product KL-798 (UVA-QA-0600)

Class 12: 4/24 Project Analysis
Read: University of Virginia Health System: The Long-Term Acute Care Hospital Project (UVA-F-1676)

Class 13: 5/1 Presentation Day 2
Final presentations of your grant or project financial model
FINAL DRAFT OF PROJECT OR GRANT FINANCIALS DUE