



# School of Social Policy & Practice

## SYLLABUS

Fall Term

NPLD 790 / NPLD 590

# SOCIAL FINANCE

**SPECIAL ATTENDANCE POLICY FOR THE FIRST CLASS:**

Attendance at the first class is mandatory (for those already enrolled and for those considering enrollment in the course). Enrolled students who miss the first class must drop the course. Those not yet enrolled who would like permission to enroll are required to attend the first class. Attendance at the remaining class meetings is expected.

# SOCIAL FINANCE

## NPLD 790-401 & NPLD 790-001

(NPLD 790-401 is cross-listed as NPLD 590-401 for undergraduates.)

### FALL TERM

#### COURSE FACULTY TEAM

- [Andrew T. Lamas, JD](#)
  - [ATLamas@sas.upenn.edu](mailto:ATLamas@sas.upenn.edu) / 215-565-5850
- **Bruce Boylston, CPA**
  - [Bruce@rbcpa.net](mailto:Bruce@rbcpa.net)
- **Lucy Pastier, MSc** [Teaching Assistant]
  - [Lucy.pastier@gmail.com](mailto:Lucy.pastier@gmail.com)

Contact us by email at any time (with the following in the subject line: NPLD 790). To expedite response time, please send your emails to all three of us (with the primary person you want to reach in the **TO:** line, with a **CC:** to the other two members of the Course Faculty Team). *Office hours by appointment, including via Zoom.*

#### COURSE DESCRIPTION

Economic analysis and financial accounting are like languages: fluency comes with practice. In-class review of case studies (including, on occasion, in-person/online discussions with the representatives of diverse agencies and organizations featured in the case studies) will enable students to test and develop their capacity for applying conceptual tools and analytical methods to sometimes messy and always complicated, real-life situations. The course objective is to develop theoretical understanding, critical judgment, and practical skills for sensitive and effective engagement with financial and economic matters of significance.

The course objective is to develop theoretical understanding, critical judgment, and practical skills for sensitive and effective engagement with financial and economic matters of significance. Students will have opportunities to learn:

- ❖ different (conventional and alternative) ways of thinking about the economic and financial foundations of social policy;
- ❖ basic terminology, tools, and methods for analyzing the financial statements of a wide range of organizations; and,
- ❖ financial and accounting procedures for evaluating organizational operations, policies, and practices.

This course is at once macro and micro in its orientation. It provides a conceptual basis—derived from mainstream and alternative perspectives—for thinking about the economic and financial dimensions of human development and social policy, and it introduces a set of core competencies for leadership and financial management of organizations, including conventionally and alternatively structured for-profit enterprises and not-for-profit organizations, consulting firms, research institutions, schools, arts and culture organizations, governmental agencies, philanthropies, cooperatives and employee owned businesses, movement collectives, labor unions, religious institutions, community development corporations, community development financial institutions, local currencies, community land trusts, resource trusts, and other third-sector organizations. The course is open to students across the University. All graduate students who take this course must register under NPLD 790 (in either the early evening or the later evening course). All undergraduate students must register under NPLD 590 (which is only offered in the early evening).

## MAJOR LEARNING OBJECTIVES

**Competency 1:** *Learn different ways of thinking about finance and social finance in particular, and about related broader issues of politics, economics, law, and organizational development (e.g., organizational structures, ownership forms), and contemporary social issues.*

**Competency 2 :** *Master basic terminology, concepts, arguments, tools, and methods for analyzing the financial statements of a wide range of organizations.*

**Competency 3:** *Demonstrate knowledge of economic, financial, accounting, and ethical concepts for explaining and evaluating various models of economic activity, and for assessing the financial and economic dimensions of the principles, objectives, strategies, tactics, designs, issues, policies, plans, practices, and projects of a wide range of organizations. (No prior knowledge or training in these areas is required. Given the way this course is taught, those who have not had previous courses in these subject areas will not be disadvantaged.)*

**Competency 4:** *Demonstrate accounting procedures for evaluating business, government, and organizational operations, policies, and practices.*

**Competency 5:** *Enhance capacity to spot issues of significance; to identify and understand the contradictions, interrelations, and interconnections that may exist in different situations; to recognize the limitations and possibilities in a wide variety of cases; and, to think, write, discuss, and present clearly, creatively, and critically.*

*Students are also encouraged to communicate with the course faculty if they have additional learning objectives and if they want to work on developing additional competencies in this course.*

## COURSE REQUIREMENTS AND EXPECTATIONS

### **Participation: 55%**

A portion of your course grade is based on participation, as follows: attendance and participation in scheduled class sessions (in-person and/or online); on-time completion of assignments and other activities; completion of quizzes. Your participation contributes to the success of this course and to the search for and production of knowledge, understanding, and intellectual community. Your participation grade reflects an assessment of any homework, assignments, activities, quizzes, and other specified forms of participation. The quality of your contributions counts for more than the number of times you speak up in class.

### **Final Examination: 45%**

A Final Examination will be administered on, shortly before, or just after our final class (as specified by the course faculty toward the end of the course). Student scheduling needs will be taken into consideration.

## TWO STREAMS OF STUDY

Two pedagogical rivers are flowing at once in this course, and you are encouraged to swim and immerse in both of them.

In one river, there flows a **conventional** presentation of basic and advanced material in finance and accounting; while in the other river, there flows a **critique** of these conventional frameworks and concepts. One river takes the world as we find it—and provides you with tools and techniques for understanding it and maneuvering in it, while the other river winds its way toward unknown, possible, alternative futures.

At some point, you will likely find yourself in neither of the rivers but rather in the ocean fed by both. Navigate wisely, pursuant to *your own* sailing chart (i.e., your own intellectual agenda), so that you get to where *you* want to go.

While we may all need to learn how to sail, obviously we are not all charting the same course—though, ironically, our fates are intertwined, *aren't they?* (So, then, do we—or don't we—have a common destination? *Hmmm.*)

Alongside our study of the **Weekly Topics** (presented in summary form on the next pages and in detailed form on our course website on CANVAS), we will also reflect upon additional material prepared by Prof. Lamas in two formats—(a) **Provocations** and (b) **Case Studies**. (A taste of these is provided in the last five pages of this Syllabus.)

Typically, the **Weekly Topics** will be the focus at our regularly scheduled, class meetings on Tuesday evenings. Depending on student interest, additional sessions will be scheduled at mutually convenient times for small groups of students to meet with course faculty to discuss the material presented in the **Provocations** and **Case Studies** (whenever there is insufficient time to discuss this material in our regular Tuesday sessions).

## ASSIGNMENTS

Title of Assignment: The Balance Sheet, Part 1

Due Date: TBA

Description of Assignment and Expectations: Create a personal Balance Sheet outlining your personal assets and liabilities as of [a date specified on our CANVAS course website]. Calculate your net worth based on this information.

Title of Assignment: The Balance Sheet, Part 2

Due Date: TBA

Description of Assignment and Expectations: Build the balance sheet of a fictional company in any industry you like. A template is included to provide you with a guide.

Title of Assignment: The Balance Sheet Part 3

Due Date: TBA

Description of Assignment and Expectations: Find the balance sheet of a not-for-profit with total assets under \$5,000,000 and net assets under \$2,000,000. The balance sheet date must be [on a date specified on our CANVAS course website]. Review the balance sheet and provide five observations based on the material provided to you in the course to date. In addition to your observations, please provide a copy of the balance sheet and describe the entity in terms of its mission.

Title of Assignment: Financial Analysis Using the Balance Sheet

Due Date: TBA

Description of Assignment and Expectations: Using the not-for-profit entity you chose for your module three assignment, review their liquidity position relative to their past history and similar entities in their region. With that analysis, provide a detailed financial plan to maintain and, if necessary, improve their liquidity.

Title of Assignment: The Income Statement, Part 1

Due Date: TBA

Description of Assignment and Expectations: Prepare your income statement for the period [specified in our CANVAS course website]. Consider your living expenses as your operating expenses. Please upload the assignment to Canvas as we will compile the class income statement in the same manner as we did the balance sheet.

Title of Assignment: The Income Statement, Part 2

Due Date: TBA

Description of Assignment and Expectations: Find two similar (in mission and geography) not-for-profit organizations with total revenues under \$5,000,000. Calculate the functional expense percentages of each organization and provide an analysis of the results examining the similarities and differences.

Title of Assignment: Statement of Cash Flows

Due Date: TBA

Description of Assignment and Expectations: Using the financial statements of Philabundance (or of another organization specified by course faculty) provide three observations derived from the statement of financial position (balance sheet), the statement of activities (income statement), and the statement of cash flows.

Title of Assignment: Financial Analysis Using the Income Statement

Due Date: TBA

Description of Assignment and Expectations: Imagine you are the executive director of a homeless shelter in a large city located in the northern part of the United States. The need for your services vary with the time of year and significant changes in the weather, specifically snow and cold temperatures. Design a dashboard for yourself with three or four analytical tools that you would like to monitor knowing that your services vary. Don't restrict yourself to those discussed in the lecture or found on the Internet; create your own if necessary. In addition to the analytical tool, provide a reason why this information is important to you.

Title of Assignment: Additional Components of the Financial Statements

Due Date: TBA

Description of Assignment and Expectations: Using the Philabundance financial statements attached, provide five observations derived from the financial statement footnotes that you could not determine from just reading the financial statements.

Title of Assignment: IRS form 990

Due Date: TBA

Description of Assignment and Expectations: Choose an organization and read its most recent 990. Then list three facts that you derived from this reading and explain why you a) find this information important to your understanding of the organization and b) why you believe this information could only be available because of the 990. For part b, ignore the fact that the information would be disclosed on Guide Star or some other information site, only due to the fact that they would have used the 990 to obtain this information.

Additional assignments will be announced on our CANVAS course website.

## **CLASS SCHEDULE OF WEEKLY TOPICS**

**(Note: The fourteen class meetings for NPLD 790-401 are compressed into eight class meetings for NPLD 790-001.)**

Week 1: Course Introduction / The Balance Sheet, Part 1

Week 2: The Balance Sheet, Part 2

Week 3: The Balance Sheet, Part 3

Week 4: Financial Analysis Using the Balance Sheet

Week 5: The Income Statement, Part 1

Week 6: The Income Statement, Part 2

Week 7: Statement of Cash Flows

Week 8: Financial Analysis Using the Balance Sheet

Week 9: IRS form 990

Week 10: Advanced Topics and Tools in Social Finance—Part One

Week 11: Advanced Topics and Tools in Social Finance—Part Two

Week 12: Critical Finance and Alternative Forms of Organization

Week 13: Conventional and Critical Frameworks in Theory and Praxis

Week 14: Course Review and Extended Q&A Session

**Note:** Be prepared at all times for discussions, quizzes, activities, and class-time assignments. The order and combination of topics may change depending principally on our assessment of student needs and interests. The above course schedule may be altered. The material in some weeks may be combined. All important and relevant course dates will be announced and posted online, and, wherever possible, student schedules will be taken into consideration.

## UNIVERSITY OF PENNSYLVANIA POLICIES FOR STUDENTS

- Please see various, relevant Penn policies [here](#)—paying particular attention to the *Code of Student Conduct* and the *Code of Academic Integrity*. A confirmed violation of these codes in this course will likely result in a failing grade. With relevance to these days of Covid-19, students should also read the Student Campus Compact.

## UNIVERSITY OF PENNSYLVANIA RESOURCES AND SUPPORT FOR STUDENTS

Aside from relying on your family, friends, classmates, course faculty, faculty advisor, and others, students may access a wide variety of resources for academic and personal support.

- [Counseling & Psychological Services](#) (CAPS): Students with concerns of a personal, emotional, social, or educational nature may visit CAPS for help and guidance free of charge.
- The Division of the Vice Provost for University Life also provides other resources for [Health and Wellness](#).
- [Weingarten Learning Resources Center](#): Provides students with professional, skills instruction in academic reading, writing, test-taking and study strategies, and time management. Weingarten also provides services and programs for students who self-identify with disabilities to ensure equal academic opportunities and participation in University-sponsored programs; the process for securing approval by Penn's [Office of Student Disabilities Services](#) (SDS) may be initiated by contacting SDS (telephone: 215-573-9235 / office: Weingarten Learning Resources Center at Stouffer Commons, 3702 Spruce Street, Suite 300, Philadelphia, PA 19104).
- For technical assistance and questions regarding the use of Canvas, students may submit requests to [canvas@pobox.upenn.edu](mailto:canvas@pobox.upenn.edu), and they may access the [Canvas Student Guide](#).
- [Tutoring Center](#): Provides a variety of subject-specific peer tutoring services to supplement support from course instructors.
- [Marks Family Writing Center](#): Provides writing assistance for undergraduate and graduate students.
- [Communication Within the Curriculum](#): Assists students in learning to express themselves orally with clarity and confidence.
- [Language Direct](#): Provides tutoring for foreign languages.
- [Van Pelt Libraries](#): Van Pelt's [Student Assistance Services](#) provides, among other things, support for students in research and instructional technologies through a range of [workshops](#) and [consultations](#). Van Pelt's [Weigle Information Commons](#) (WIC) provides technology-rich group study rooms and also offers students tutoring in the use of digital media. Van Pelt's [Penn Online Research Tutorial](#) provides a step-by-step guide through the research process. Van Pelt's [Reference Services](#) is staffed by Reference Librarians who are available to support students undertaking research. In addition, Van Pelt provides helpful ways to:
  - [Access resources from off-campus](#).
  - [Search Franklin Articles+](#): Penn Libraries's large collection of eBooks, scholarly journals, newspaper articles, conference proceedings, and more.
  - [Scan and Deliver](#): Enables you to obtain scans of selected book chapters and journal articles in the general, non-Reserve collections of the University of Pennsylvania Libraries for your research.

## Academic Integrity

Students are expected to adhere to the University's Code of Academic Integrity, available at <https://catalog.upenn.edu/pennbook/code-of-academic-integrity/>. Care should be taken to avoid academic integrity violations, including plagiarism, fabrication of information, and multiple submissions (see descriptions below).\*\* Students who engage in any of these actions will be referred to the Office of Student Conduct, which investigates and decides on sanctions in cases of academic dishonesty.

1. Plagiarism: using the ideas, data, or language of another person or source without specific or proper acknowledgment. Example: copying, in part or in its entirety, another person's paper, article, or web-based material and submitting it for an assignment; using someone else's ideas without attribution; not using quotation marks where appropriate; etc.
2. Fabrication: submitting contrived or altered information in any academic exercise. Example: making up data or statistics, citing nonexistent articles, contriving sources, etc.
3. Multiple submissions: submitting, without prior permission, any work submitted to fulfill another academic requirement.

\*\*Students have responsibility to consult the instructor if they are unsure about whether something constitutes a violation of the Code of Academic Integrity.

# PEDAGOGY

## Welcome to SOCIAL FINANCE!

Your course faculty [Andrew Lamas, JD](#) and [Bruce Boylston, CPA](#) (and Teaching Assistants / invited guest presenters)—are pleased to be in this course with you, and we look forward to teaching and learning with you this term.

Since the initial launch of this course—more than a decade ago—the background contexts have included capitalist triumphalism arising from the fall of the Soviet Union in 1991, the integration of Russia and China into the global system of capitalist production and consumption, and other conditions of political economy; accelerated urbanization, such that most people in the world now live in cities; the dramatic spread of neoliberal capitalism, featuring, among other things, combined and uneven development, technological innovation, financialization and speculation, corporatization of the Internet, corporate land grabs, ecological devastation, militarization, mass incarceration, privatization, union-busting, and the production of enormous wealth and racial and class inequality; the global financial crisis of 2007-2008—the worst financial crisis (or, *capitalist crisis*—depending on your theoretical framework of analysis) since the Great Depression of the 1930s—followed by significant uprisings (e.g., Occupy) and alternative political, social, cultural, and economic interventions by indigenous peoples, the working class, youth, and others across the globe, but met by a powerful, worldwide backlash—possibly proto-fascist—that is currently underway. *Oh, and did we mention, a global pandemic! Do you agree or disagree with this statement of the background contexts of our contemporary situation?*

This course is grounded in three, ancient, interrelated, and (we maintain) continuously validated (though constantly challenged) pedagogical principles:

- **Get to the root of things.**
- **Learn by doing, learn by teaching.**
- **Do not only consume the course, *but also coproduce it.***

## INTELLECTUAL EMANCIPATION

1. All people have equal intelligence.
2. Every person has the ability to self-instruct.
3. We can teach what we don't know.
4. Everything is in everything.



**Joseph Jacotot**  
1770-1840

*Do you agree or disagree with Jacotot?*



# Our Situation

In the United States today, **the dominant educational approach** in many pre-professional undergraduate programs as well as Master's-level professional programs orients courses toward preparation and certification for the job market. Boosters of this approach ask: *What is education for?* They answer: *It is to help you find a job or get a better one.* This instrumental approach is typically thought to require an emphasis on fact, description, technique, and practice—all within a mainstream frame. This orientation is (sometimes covertly and often triumphantly) anti-intellectual, anti-theoretical, ahistorical, and uncritical. It is biased toward the status quo or toward change within a narrow frame. It is inattentive to contradictions, limitations, and possibilities. It conceptualizes change as technical and incremental rather than as structural, disruptive, and transformational. It conceptualizes learning as practical, job-skills-related training. It positions most students as mere individuals, as consumers with private interests. Though all are promised futures as leaders, most are actually trained as subordinates-in-the-making.



**Is there another, better way  
to imagine who you are  
*and* what we might do  
together?**

*What is at stake?*

*What is to be done?*



## Major and Minor Points

1. This course not only concerns accounting and finance (with its focus on technical information and financial methodologies), but it also critically probes the financial dimensions of organizational and social existence in the contemporary period. For this reason, the course is called **Social Finance**. In this course, we cover accounting and finance while considering ways of seeing and thinking critically about our society, its economy and organizational forms, and the project of human liberation.
  2. If you have majored in Finance or Accounting as an undergraduate, or if you have studied Finance or Accounting in graduate/professional school, then portions of this course may not be appropriate for you. If you fall into this category, please contact Prof. Lamas immediately so that we might discuss the matter further...and determine whether you need to be placed in a different course.
  3. Contact your advisor to confirm that your photo is present on the online registration screen.
  4. See the Course Registrar's listing to find information about the scheduled course time and location.
  5. This course follows Penn's ACADEMIC CALENDAR; so, check it for the starting and ending dates of the course as well as for any official breaks and holidays. Pay particular attention to the often-altered course schedule during Thanksgiving week in November.
  6. You are welcome to eat and drink in class (as long as you consume quietly and with respect for your colleagues) and take your trash with you when class ends. You are encouraged (but not required) to bring laptops and cellphones to class, as you may be asked—from time to time—to access material on the Internet.
  7. Guest speakers may visit the class (in-person and/or online) to offer their expertise and perspectives and to enable the class to study particular organizational cases in detail.
  8. Please see various, relevant Penn policies [here](#) paying particular attention to the Code of Student Conduct and the Code of Academic Integrity. A confirmed violation of these codes in this course will likely result in failure. Also see Penn's Student Campus Compact.
  9. Additional information and important material related to this course is available on our CANVAS course website, which is regularly modified and updated. We advise you to check our course website regularly throughout the term and look for Announcements that we post there.
  10. In the interest of our students' education and welfare and in furtherance of the university's mission and our pedagogical principles, this syllabus may be modified and revised throughout the term.
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# Course Materials

In this course, some readings and videos are **required**, and others are **recommended**. A complete listing is provided on our course's CANVAS website, where most of these materials are immediately and easily accessible to you. This term, there is one REQUIRED textbook, which is NOT available to you online; so, you must make arrangements to purchase it or otherwise get access to it:

- **Thomas R. Ittelson, *Nonprofit Accounting & Financial Statements: Overview for Board, Management, and Staff* (Mercury Group, 2nd edition, 2017).**

This required text is widely available in bookstores and via online booksellers as well as some libraries. It is presently selling new for \$14.95 in paperback and used for \$10.00. You are not required to buy the text; BUT, you are REQUIRED to read it for this course. Please begin reading it by our first class meeting.

## Other Recommended—but Not Required—Course Texts:

- **Thomas R. Ittelson, *Financial Statements: A Step-by-Step Guide to Understanding and Creating Financial Reports*, 3rd ed. (Newburyport, MA: Career Press, 2020).**

- **Thomas R. Ittelson, *A Picture Book of Nonprofit Financial Statements* (Mercury Group, 2017).** This is a very short and very basic text. Beginners, who are visual learners, may find it particularly helpful.

- **Steven A. Finkler, Robert M. Purtell, Thad D. Calabrese, and Daniel L. Smith, *Financial Management for Public, Health, and Not-for-Profit Organizations*, 5th ed. (Los Angeles: Sage, 2016).** This useful book may be of particular interest for those focusing on the public sector and health care institutions.

- **John H. McCarthy, Nancy E. Shelmon, and John A. Mattie, *Financial and Accounting Guide for Not-for-Profit Organizations*, 8th ed. (Hoboken, NJ: John Wiley & Son / PWC, 2012).**

- If you want a more in-depth book than the texts by Ittelson, and if you do not want to purchase the large, expensive texts by McCarthy et al. and Finkler et al., then we suggest you just go to Van Pelt Library and find a recent accounting textbook. Most accounting and mainstream financial analysis books by reputable publishers will cover similar material in generally the same way. In addition to the above, see, for example:

- **Richard A. Lambert, *Financial Literacy for Managers: Finance and Accounting for Better Decision Making*, 2nd ed. (Philadelphia: Wharton Digital Press, 2012);**

- **John Zietlow, Jo Ann Hankin, and Alan G. Seidner, *Financial Management for Nonprofit Organizations: Policies and Practices* (Hoboken, NJ: John Wiley & Sons, 2007);**

- **Michael J. Worth, *Nonprofit Management: Principles and Practice*, 4th ed. (Los Angeles: Sage, 2017).**

## Recommended Background Texts (from Liberal Mainstream to Critical/Marxist):

- Robert J. Schiller, *Finance and the Good Society* (Princeton: Princeton University Press, 2012).
- Joseph Stiglitz, *The Price of Inequality: How Today's Divided Society Endangers Our Future* (New York: Norton, 2012).
- Tony Tinker, *Paper Prophets: Fraudulent Accounting and Failed Audits* (Washington, DC: Beard Books, 1985).
- E. K. Hunt, *Property and Prophets: The Evolution of Economic Institutions and Ideologies*, 7th ed. (New York: Routledge, 2016).
- Stefan Leins, *Stories of Capitalism: Inside the Role of Financial Analysts* (Chicago: University of Chicago Press, 2018).
- Costas Lapavistas, *Profiting Without Producing: How Finance Exploits Us All* (London and New York: Verso, 2014).

## Other Recommended Texts (for those with critical, alternative interests):

- Vandana Shiva, *Earth Democracy: Justice, Sustainability, and Peace* (Cambridge, MA: South End Press, 2005 / Berkeley, CA: North Atlantic Books, 2015).
- David Madden and Peter Marcuse, *In Defense of Housing* (Verso, 2016).
- Christopher Gunn, *Third Sector Development: Making Up for the Market* (Ithaca & London: ILR Press, Imprint of Columbia University Press, 2004).
- Stefano Zamagni and Vera Zamagni, *Cooperative Enterprise: Facing the Challenge of Globalization* (Northampton, MA: Edward Elgar, 2011).
- John Restakis, *Humanizing the Economy: Co operatives in the Age of Capital* (Gabriola Island, BC, Canada: New Society Publishers, 2010).
- W. E. B. Du Bois, [\*Black Reconstruction; an essay toward a history of the part which black folk played in the attempt to reconstruct democracy in America, 1860-1880\*](#) (New York: Harcourt, Brace, 1935).
- Jessica Gordon Nembhard, *Collective Courage: A History of African American Cooperative Economic Thought and Practice* (University Park, PA: Pennsylvania State University Press, 2014).
- Margunn Bjørnholt and Ailsa McKay, eds., *Counting on Marilyn Waring: New Advances in Feminist Economics*, 2<sup>nd</sup> ed. (Bradford, ON: 2014).
- Edward LiPuma, *The Social Life of Financial Derivatives: Markets, Risk, and Time* (Durham, NC: Duke University Press, 2017).
- Edward LiPuma and Benjamin Lee, *Financial Derivatives and the Globalization of Risk* (Durham, NC: Duke University Press, 2004).
- "The Rule of Finance," special journal issue, *ROAR*, issue 3 (Autumn 2016).
- Martin Parker, George Cheney, Valérie Fournier, and Chris Land, eds., *The Routledge Companion to Alternative Organization* (New York: Routledge, 2014). Available for free online through Penn's Van Pelt Library e book service: <https://proxy.library.upenn.edu:5287/doi/10.4324/9780203725351>.



# Recommended Videos

Numerous videos and other online resources are available for students who want to learn basic accounting and finance (as well as mainstream and alternative perspectives and applications), so we advise you to find such resources. We will be sharing suggestions with you during our course. For now, we recommend (but do not require) that you watch these introductory videos on finance and accounting...if you want additional training on the issues we are covering in class.

- *Introduction to Nonprofit Finance* by Linshuang Lu (Praxis Consulting Group; a Wharton graduate and former student of Prof. Lamas)
  - In seven parts on YouTube; start with Part 1 and continue at your own pace.
    - [Part 1](#)
    - [Part 2](#)
    - [Part 3](#)
    - [Part 4](#)
    - [Part 5](#)
    - [Part 6](#)
    - [Part 7](#)
  
- Financial Theory by Prof. Robert Shiller, Yale University [Financial Theory: ECON 251 (2011)]
  - a. Lecture 22: [Public and Non-Profit Finance](#)
  - b. Lecture 23: [Finding Your Purpose in a World of Financial Capitalism](#)
- Financial Theory by Prof. John Geanakoplos, Yale University [Financial Theory: ECON 251 (2011)]
  - a. Lecture 1: [Why Finance?](#)
- [Everything You Wanted to Know about Finance and Investing in Under an Hour](#) by William Ackman, CEO, Pershing Square Management [Big Think, 2012]
- [What the 1% Don't Want Us to Know](#)  
Interview with Paul Krugman by Bill Moyers [Bill Moyers & Company, 2014]
- [Put a value on nature!](#)  
by Pavan Sukhdev [TedGlobal, 2011]
- [Movnihhan Lecture on Social Science and Public Policy](#), by Joseph Stiglitz [American Academy of Political and Social Science, June 10, 2014]
- [Profiting Without Producing: How Finance Exploits Us All](#)  
by Costas Lapavitsas, School of Oriental & African Studies (SOAS), University of London [Lecture at Boston University, 2014]
- [Finance & Accounting for the Rest of Us: A Conversation with Richard A. Lambert](#)  
by Richard A. Lambert, Wharton School, University of Pennsylvania [Interview with Knowledge@Wharton, November 18, 2011]

## Recommended Sources for Mainstream Coverage of Current Events

Please begin (if you are not already doing so) reading the *New York Times*, the *Wall Street Journal*, the *Financial Times*, and/or the *Economist* on a regular basis...and listen daily to *Marketplace* on National Public Radio. Our lectures and discussions in class will assume that you are doing this, so please keep up by staying informed. Regardless of your politics (conservative, libertarian, conventional, liberal, left...or otherwise), it is important to read what those who have financial and political power read. As Marx said long ago, *The Economist* is where capitalists talk to each other about their system.

[\*New York Times\*](#)

[\*Wall Street Journal\*](#)

[\*Financial Times\*](#)

[\*The Economist\*](#)

["Marketplace," NPR/APM \(radio\)](#)

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- For mainstream news and commentary on charitable organizations, see [\*The Chronicle of Philanthropy\*](#).

# Assessment and Grading

- **Participation: 55%**

- A portion of your course grade is based on participation. There are many ways to participate during the several weeks of our course. Your participation (including attendance, timeliness, and discussion) contributes to the success of this course and to the search for and production of knowledge, understanding, and intellectual community. Your participation grade reflects an assessment of any homework, assignments, activities, quizzes, and other specified forms of participation (in-class and/or online). The quality of your contributions counts for more than the number of times you speak up.



- Note that the University of Pennsylvania does not require class attendance on “[approved secular and religious holidays](#).” Of course, in some ways like those in many religious institutions, many faculty are also trying to create community (in our classrooms). And, as with religious community and secular community of various sorts, presence is important for the development of relational, intellectual community. If we were just trying to convey information, we could present all of the courses "at Penn" asynchronously as pre-recorded lectures online through Canvas or [YouTube](#); but, for many faculty, our educational mission involves so much more than conveying information. It also involves the development of critical sensibilities amidst a community of people who take responsibility for teaching and learning *with* one another...and for so much more.



The problem for all of us is that we cannot be *alive and fully present* in two or more places at once. So, choices need to be made. We make these scheduling choices all of the time. I understand and respect student, faculty, and staff autonomy to make their own choices about such matters. (I teach a course on religion and social justice every Spring Term, so I am very familiar with the many religious and other holidays for

lots of different communities who are present at Penn.) Our suggestion is that whenever you plan to miss class—for whatever reason (e.g., sickness, injury, sleep, other work responsibilities, deaths of relatives or friends, heavy traffic on the roads or rails, weddings, birthday parties, secular and religious holidays)—that you arrange *in advance* for one or more students who will be in attendance to take good notes for you. Remember that students may take courses for very different reasons and may focus on very different aspects of a course—pursuant to their own commitments, career paths, and intellectual agendas—so we suggest that you choose notetakers wisely. As per Penn's policy, students who are absent due to their participation in events related to “approved secular and religious holidays” are not be required to be present in class on the recognized religious holidays, and such students will not be required to take examinations or to submit required work on such days.

- **Final Examination: 45%**

- A Final Examination will be administered at, prior to, or shortly following our final class (as specified by the course faculty toward the end of the course).

**Expected Grade Range for this Course**

(This course is *not* graded on a curve.)

**A+, A, A-, B+, B, B-**

**Confirm Humanity**

Before we subscribe you, we need to confirm you are a human.

I'm not a robot





# Recommended Journals

- ***Stanford Social Innovation Review***

Published by the Stanford Center on Philanthropy and Civil Engagement, this magazine offers brief articles covering philanthropy, social entrepreneurship, case studies and succinct overviews of recent research related to nonprofits and other organizations.

- ***Nonprofit and Voluntary Sector Quarterly***

This journal is the official, scholarly, peer reviewed publication of the Association of Research on Nonprofit Organizations and Voluntary Action (ARNOVA).

- ***Voluntas: International Journal of Voluntary and Nonprofit Organizations***

The official journal of the International Society for Third Sector Research (ISTR), *Voluntas* is an interdisciplinary publication that provides a central forum for worldwide research in the area between the state, market, and household sectors.

- ***Nonprofit Management & Leadership***

Sponsored by the Weatherhead School of Management at Case Western Reserve, *Nonprofit Management & Leadership* is a quarterly peer reviewed journal that publishes quality scholarship on all aspects of management and leadership relevant to nonprofit organizations.

- ***Third Sector Review***

*Third Sector Review* is a refereed academic journal published by Australian and New Zealand Third Sector Research and is recognized by the Department of Education Employment and Workplace Relations (DEEWR) in Australia. It covers various aspects of management, governance, community development, fundraising, relations with government, legal issues, and historical development in the nonprofit sector.

- ***Nonprofit Policy Forum***

*Nonprofit Policy Forum* is an international journal that publishes original research and analysis on public policy issues and processes related to the work of nonprofit organizations.

You are encouraged to look at these journals and to consider selecting articles pursuant to your own Intellectual Agenda. All of these journals may be accessed online (without charge) through the e-journal links provided by Penn's [Van Pelt Library](#), to which you have access with your PennKey username and password.

# Course Framework

## First Half of the Course:

- Introduction to Social Finance
- Epistemological Questions, Existential Issues, and Pedagogical Principles
- Wealth and Poverty: Which Side Are You On?
- Organizational Forms and Questions of Justice
- Conventional and Critical Frameworks for Financial and Economic Analysis
- Basics of Accounting and Finance: accounting as a language; beyond financial literacy toward critical fluency; personal finance, organizational finance, finance in the global capitalist system; management's financial responsibility; ownership issues; income and wealth; poverty; government programs, charity, and self-help; financial statements (balance sheet, income statement, cash flows); methods of accounting; accountant's report; corporate forms; taxation; governance; critique of political economy.
- Strategies, methods, ratios, and other tools for financial analysis; street smarts.
- **Be prepared at all times for discussions, quizzes, activities, and assignments.**

## Mid-Point of the Course:

- Course Review: Q&A session

## Last Half of the Course:

- Advanced topics in Social Finance
- Special projects and special guests (when possible and appropriate)
- Case studies
- Advanced tools in Social Finance
- Alternative forms of organization and related issues
- Conventional and critical frameworks in theory and praxis
- Open questions for future consideration

## End-Point of the Course:

- Course Review: Q&A session
- **Final Examination**

### Your Intellectual Agenda

As you begin this course, we strongly recommend that you develop an intellectual agenda...and carefully select—from among the many course materials (readings, videos, and more) provided—those that best meet your needs. The course faculty are also eager to discuss additional resources that may be appropriate for you.

# Faculty Contact Information

## Bruce Boylston

- e-mail: [Bruce@rbcpa.net](mailto:Bruce@rbcpa.net)
- mobile: [610-701-0500, ext. 112](tel:610-701-0500)

Office Hours: By appointment (contact by email -- with the following in the subject line: NPLD 790); Zoom meetings are also possible.

## Andy Lamas

- e-mail: [ATLamas@upenn.edu](mailto:ATLamas@upenn.edu) / [ATLamas@gmail.com](mailto:ATLamas@gmail.com)
- mobile: [215-565-5850](tel:215-565-5850)

Office Hours: By appointment (contact by telephone, text, or email -- with the following in the subject line: NPLD 790); Zoom meetings are also possible.

“The test of a first-rate intelligence is the ability to hold two opposed ideas in the mind at the same time and still retain the ability to function.”

—F. Scott Fitzgerald

## Teaching Assistant:

- **Lucy Pastier, MSc** email: [Lucy.pastier@gmail.com](mailto:Lucy.pastier@gmail.com)

See the following pages for things to think about before class begins.

A series of multimedia presentations—

# intended as provocations

—have been prepared for you to review during the term. They are designed to be watched in order; so, please watch PROVOCATION #1, then PROVOCATION #2, and so on. These presentations, though clearly focused on SOCIAL FINANCE, are grounded in a wide range of human knowledge and experience, including the arts, humanities, and social sciences as well as struggles for freedom, justice, and dignity; so, then, it would be fair to say that these Provocations are interdisciplinary or even anti-disciplinary—reflecting **the principle that everything connects...and its corollary: when interconnectedness is denied, the storm is coming.**



Photo by Sarah Bloom

Provocation

1

These presentations will typically not be shown during our regularly scheduled weekly class meetings; rather, they have been prepared for you to watch on your own and, then, again in small groups together with me at other mutually convenient times. I look forward to joining in discussions with you.

—Andy Lamas  
University of Pennsylvania

*Note:* As the presentations feature text, images, audio, and video, please download as PowerPoint files, and adjust the volume and other device settings appropriately before watching.

Provocation

2

Provocation

3

and more....



Paul Klee, "Angelus Novus" (1920 monoprint)

**Walter Benjamin, Thesis IX,  
Theses on the *Philosophy of History* (1940)**

**“There is a picture by Klee called *Angelus Novus*. It shows an angel who seems about to move away from something he stares at. His eyes are wide, his mouth is open, his wings are spread. This is how the angel of history must look. His face is turned toward the past. Where a chain of events appears before us, he sees one single catastrophe, which keeps piling wreckage upon wreckage and hurls it at his feet. The angel would like to stay, awaken the dead, and make whole what has been smashed. But a storm is blowing from Paradise and has got caught in his wings; it is so strong that the angel can no longer close them. This storm drives him irresistibly into the future to which his back is turned, while the pile of debris before him grows toward the sky. What we call progress is *this* storm.”**

# The Financialization of Dreams

the  
commodification  
of everyday life

“All that is solid melts into air,

all that is holy is profaned.”

Karl Marx and Friedrich Engels,  
*The Manifesto of the Communist Party* (1848)



Sagrada Família from Placa de Gaudi. The cranes have been digitally removed. Image: C. Messier, 2017 / [CC BY-SA 4.0](#) / Wikimedia Commons.



Charging Bull, bronze statue by Arturo Di Modica, New York. Image by Aseba, 2011 / [CC BY-SA 2.0](#) / Wikipedia.

...ement. Citizens Bank, 34<sup>th</sup> Street  
... Chestnut Streets,  
... Andrew T. Lamas, 2016.

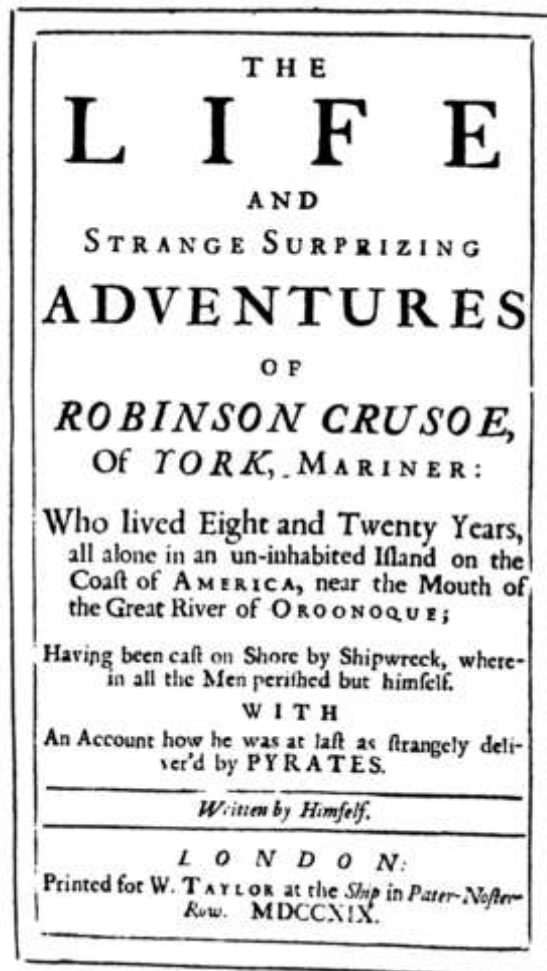
# Critically Engaging Economics & Finance: From the Personal to the Organizational, the Social, and the Political

## Critically Confronting Ideology and Illusion in Economics and Finance

### Recall the story of Robinson Crusoe.

Its basic narrative and moral teachings are deeply embedded in popular consciousness.

Upon critical reflection, what is this story about? What lessons does it teach? Why is it continually circulated in mainstream discourse? What does it obscure? What does it reveal? What work does it do in our culture?



## Special Topic:

# SOCIAL IMPACT BONDS

What is the relationship between the so-called three sectors (public, for-profit, and non-profit) in the neoliberal age?

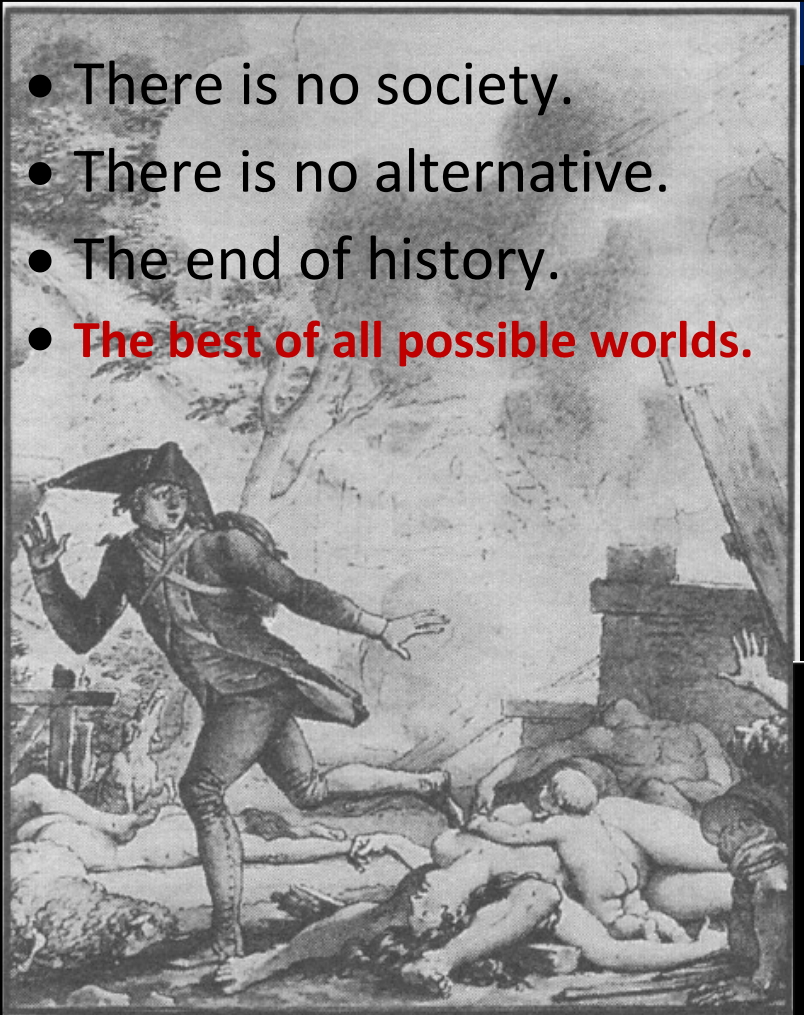
Perhaps there is no better way to begin addressing this question than by thinking critically about

## SOCIAL IMPACT BONDS (also known as Development Impact Bonds).

- [“An Introduction to Social Impact Bonds,”](#) McKinsey & Company, 2012. [video]
- Toby Eccles, [“Invest in Social Change,”](#) Social Finance, TEDGlobal, 2013. [video]
- Toby Eccles, [“Social Impact Bond Futures: The Development of Outcome Based Finance,”](#) Social Finance Webinar, London, England: Social Finance, 2011. [video]
- Rita Perakis, [“Development Impact Bonds,”](#) Center for Global Development, 2013. [video]
- Kyle McKay, [“Debunking the Myths Behind Social Impact Bond Speculation,”](#) *Stanford Social Innovation Review*, April 8, 2013.
- [Social Finance](#) (UK, USA, Israel, India).



- There is no society.
- There is no alternative.
- The end of history.
- **The best of all possible worlds.**



*Candide s'enfuit au plus vite dans un autre village*

Voltaire, *Candide, ou l'Optimisme* (1759).

