

University of North Carolina Greensboro
Political Science 511-R
Budgeting for Non-profit Organizations

Spring 2010

Instructor: Randy Billings
Meeting Location: 209 Graham Building, UNCG Campus
Class Day/Time: Wednesday, 6:30 PM to 9:20 PM

Class Meeting Dates:

March 17

March 24

March 31

April 7

April 21

Note: No class on April 14

Telephone: 294-4950 (Office)
339-8731 (Mobile)

E-mail: rbillings@triad.rr.com
rbillings@ptcog.org

COURSE DESCRIPTION AND OBJECTIVES

This course is an introduction to budgeting concepts and practices applicable to non-profit organizations. Students will learn budgeting terms and concepts, how to identify costs, the role of the budget in financial management, how to develop an effective budget, how to get a budget approved by a board of directors and how to monitor the budget throughout the fiscal year. When the course is complete students should be able to independently prepare a budget for a non-profit organization, program and event.

The class will include a combination of lectures, reading of selected materials, class discussion, budget preparation exercises, research papers and a class project. No textbook is required for the class and outside readings will be kept to a minimum. The class will heavily emphasize in-class discussion and exercises.

REQUIRED PAPER/EXERCISES:

- * Performance Budgeting and Zero Based Budgeting – Due Week # 2
- * Special Project Budget Exercise – Due Week # 3 (Information posted on Blackboard)
- * Final written presentation on the Class Project Budget – Due Week #5
- * Presentation of the Class Project Budget – Due Week #5

COURSE GRADING

Students will be graded according to the components listed below.

GRADING COMPONENTS	
Final Exam	60%
Paper	10%
Special Project Budget Exercise	10%
Class Project	20%

CLASS PROJECT

Students will be required to participate in a class project which will include the development of a budget for a hypothetical non profit organization. The information on which the class project is to be developed is on Blackboard.

Each student will be assigned to a team. The responsibility of each team is to divide the work among team members and develop an annual operating budget for a hypothetical non profit organization to present to the class. Team members will be expected to present written, verbal and graphic evidence to support budget recommendations. The presentation of the budget should take no more than 30 minutes and each team member shall have some part in the presentation. The class will serve as a “board of directors” in reviewing the budget. The emphasis of this part of the project is on developing an effective presentation to a governing board.

The grade for the presentation of the class project will be derived equally from two parts. The first part will be the grade for team participation. Each team member will assign a grade for the others on the team based on technical and creative content, amount of effort given, and overall participation. The second part of the grade will be determined by the class through an evaluation of each team’s presentation. Class members will be given an evaluation sheet that contains criteria that each team’s presentation is to be rated on. The team as a whole will be evaluated collectively so all team members will receive the same grade. The final grade on the group portion of the exercise will be determined by the instructor.

In addition to the group presentation of the class project budget, students will also be required to develop an extensive written budget presentation to be turned in the last night of class. The emphasis on this portion of the project will focus on the individual’s ability to prepare detailed supporting information.

The total grade for the class project will be based on both the group presentation and the individual written presentation.

PERFORMANCE BUDGETING AND ZERO BASED BUDGETING PAPER

Students are required to prepare a short research paper that defines and explains both performance budgeting and zero based budgeting. The paper should include the pros and cons of each and under what circumstances each is appropriate. This assignment is due at the beginning of class in Week #2.

PROJECT BUDGET EXERCISE

Each student will be required to develop a budget for a special project. Information will be provided in Blackboard about the project upon which the budget is to be developed. This assignment is due at the beginning of class in Week #3. The project budget will be discussed and critiqued in class and students will be given the opportunity to resubmit their special project budgets for a grade the last night of class.

COURSE OUTLINE

The following outline lists the planned topics and assignments for each of the five classes.

Week # 1 and Week #2

No Assignments or Readings Due for Week #1

Class Topics:

Introduction to Budgeting
Establishing the Budget Timeline and Budget Process
Cash versus Accrual Accounting
Identifying Cost Centers
Understanding and Estimating Revenue
Understanding and Identifying Expenses
Line-item Budgeting
Personnel and fringe benefits
Preparing a salary budget
Indirect Costs in Budgeting
Distribution of Costs to Projects
Determining the cost of service
Fixed and Variable Costs

Week # 2

Assignment Due: Paper on Performance and Zero Based Budgeting

Week # 3

Assignment due: Special Project Budget (non graded)

Work on Class Project: 6:30 – 7:30
Presentation by the “budget officer” for role play

Class Topics:
What makes a successful special project budget
Zero Based Budgeting
Performance Budgeting
Getting the Budget Approved: Political Realities

Week # 4

Work on Class Project: 6:30 – 7:30

Class Topics:
Role play for budget approval – Understanding the politics of budgeting
Monitoring the Budget During the Year
Capital Budgeting
Cost-Benefit Analysis
Forecasting

Week # 5

Assignment due: Special Project Budget (Graded) and Class Project Written Presentation

Class Topics:
Course Evaluation (administered by departmental graduate assistant)
Group Presentation of Class Projects

The Final Exam will be given after the end of Week 5. The exam will be activated on Blackboard after the last class and must be completed by noon on Wednesday of the following week. The final exam is the only exam for the class and will include all information presented in class.