

NVCC COLLEGE-WIDE COURSE CONTENT SUMMARY

PBS 116 - PUBLIC BUDGETING AND FINANCE (3 CR)

COURSE DESCRIPTION

Reviews history of different approaches to public budgeting and examines the budgeting process in government. Examines the development of public planning at all levels of government with an emphasis on budgetary process. Gives consideration to revenue sources, administration, and structure.

Lecture 3 hours per week.

GENERAL COURSE PURPOSE

PBS 116 introduces the functions, structures, context, processes, and procedures of financial management and budgeting in the public and non-profit sectors

ENTRY LEVEL COMPETENCIES

No prerequisites or co-requisites. Students should be able to read and comprehend college level instructional materials.

COURSE OBJECTIVES

Upon completion of this course, the student should be able to understand:

- A. The dynamic environment of public budgeting and finance.
- B. The interrelationship of the accounting system and the budgeting system.
- C. Accounting practices of governmental and not-for-profit organizations (tracking financial information).
- D. Financial statements.
- E. The budgetary process (approval, adoption, and allocation).
- F. Budgeting and financial terminology. Using budgetary and financial information to make managerial decisions.
- G. Budgetary and financial information to make managerial decisions.

MAJOR TOPICS TO BE INCLUDED

- I. Origins and Purposes of Accounting and Budgeting
 - A. History of accounting and budgeting
 - B. Current standards applied to public and not-for-profit organizations
 - C. Overview of accounting and budgeting subsystems
- II. Accounting and Budgeting Systems in Public and Not-for-Profit Organizations
 - A. Fund entities
 - B. Six types of funds and fund structures
 - C. Interactions of funds and method for categorizing the interactions
- III. The Budgeting Process
 - A. Approval
 - 1. input
 - 2. process
 - 3. output

- B. Adoption
 - 1. input
 - 2. process
 - 3. output
- C. Allocation
 - 1. input
 - 2. process
 - 3. output

IV. Tracking Financial Information

- A. Accounting systems
- B. Information processing

V. Financial Statements

- A. Statement of Revenues, Expenditures, and Changes in Fund Balance
- B. Balance Sheet
- C. Statement of Changes in Fund Balance

VI. Integration of Accounting and Budgeting Systems

- A. Points of interaction between accounting and budgeting systems
- B. Integration from the beginning of the year to the preparation of financial statements

VII. Linking through Adjustments

- A. Cash vs. Accrual methods of accounting
- B. Three types of adjustments—expenses and revenues, inventory, and depreciation
- C. Methods used to calculate inventories and depreciation

VIII. Manager Audits and Analyses

- A. Formal external audit, internal team audit, manager audit
- B. Areas of audits
- C. Audit techniques
- D. Final report
- E. Follow-through
- F. Importance of reliable and valid financial information