

## Accounting II

### LAP 16 - Not-for-Profit Organizations: Budgeting and Control



Name \_\_\_\_\_

Period \_\_\_\_\_

Date Started \_\_\_\_\_

Date Completed \_\_\_\_\_

**DoDEA Standards**

- ◆ **PT1b** Use accounting procedures for planning, organizing, and allocating resources
- ◆ **PT1f** Be proficient in the use of technology
- ◆ **PT1h** Apply trouble shooting techniques and processes
- ◆ **PT2b** Employ technology in the development of strategies for solving problems in the real world
- ◆ **PT3d** Use technology tools and resources for managing and communicating personal/professional information, e.g., finances, schedules, addresses, purchases, and correspondence
- ◆ **PT4** Use information-gathering techniques, analyze and evaluate information, and use information technology to assist in collecting, analyzing, organizing, and presenting information

**Objectives**

- ◆ Explain the difference between a not-for-profit organization and a profit-oriented business.
- ◆ List the five principles of budgeting.
- ◆ Prepare a budget using the previous year's amounts.
- ◆ Prepare a budget using zero-base budgeting.
- ◆ Prepare a budget request summary.
- ◆ Explain how a budget summary report is used to control an organization's funds.
- ◆ Prepare a budget summary report.
- ◆ Define the accounting terms introduced in this chapter.

**Resources** Accounting-Real World Applications & Connections – Advanced Course  
 Chapter Reviews and Working Papers (Accounting Workbook)  
 CD ROM – Electronic Learning Center Student Package

**Time Frame** 7 hours

#### Introduction

**In chapter 16 you will learn about budgeting process and the financial statements that are prepared by not-for-profit organizations.**

#### Assignments

**Where appropriate and possible, written answers must be in complete sentences and keyed. Turn in completed activities as directed by instructor. Problems marked with an asterisk (\*) can be completed in three different ways: manually, Peachtree for Windows (CD ROM), or Glencoe Integrated Accounting. Ask your instructor for directions. If you are going to complete the problems electronically, you must read the pages titled Computerized Accounting Using Peachtree in every chapter of the Working Papers.**

- \_\_\_\_\_ Read Not-for-Profit Organizations: Budgeting and Control, pp. 474-475
- \_\_\_\_\_ Read Section 1, The Budgeting Process, pp. 476-478
- \_\_\_\_\_ Complete the following exercises on p. 479: Thinking Critically, Analyzing Accounting and Problem 16-1 using the appropriate working papers
- \_\_\_\_\_ Read Section 2, Preparing a Budget, pp. 480-487

- \_\_\_\_\_ Complete the following exercises on p. 488: Thinking Critically, Computing in the Business World and Problem 16-2 using appropriate working papers
- \_\_\_\_\_ Read Section 3, Controlling the Budget, pp. 489-491
- \_\_\_\_\_ Complete the following exercises on p. 492: Thinking Critically, Communicating Accounting and Problem 16-3 using appropriate working papers
- \_\_\_\_\_ Review the Chapter 16 Summary on p. 493
- \_\_\_\_\_ Complete Understanding Accounting Concepts and Procedures on p. 494
- \_\_\_\_\_ Complete Chapter 16 Review and Activities on p. 495 (see instructor)
- \_\_\_\_\_ Read Chapter 16 Computerized Accounting, p. 496
- \_\_\_\_\_ Complete MANUALLY End-of-Chapter problems on pp. 497-501, Problems 16-4, 16-5, 16-7, and 16-9 using appropriate working papers **OR**:
- \* \_\_\_\_\_ Read and complete ELECTRONICALLY in The Chapter Reviews and Working Papers pp. 477-478, Problems 16-4, 16-5, and 16-7
- \_\_\_\_\_ Complete Chapter 16 Review on pp. 472-473 of the Working Papers
- \_\_\_\_\_ Complete Self-Test on pp. 489 of the Working Papers
  
- \_\_\_\_\_ **Take Chapter 16 Test**

**Self Assessment - "I/II can . . ."**

- \_\_\_\_\_ Explain the difference between a not-for-profit organization and a profit-oriented business.
- \_\_\_\_\_ Explain how a budget summary report is used to control an organization's funds.
- \_\_\_\_\_ Prepare a budget summary report.
- \_\_\_\_\_ Define the accounting terms introduced in this chapter.
- \_\_\_\_\_ Explain the difference between a not-for-profit organization and a profit-oriented business.
- \_\_\_\_\_ List the five principles of budgeting.
- \_\_\_\_\_ Prepare a budget using the previous year's amounts.
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