

San José State University
Department of Political Science
PADM 218 Public Budgeting 2017 FALL

Course and Contact Information

Professor:	Leonard L. Lira
Office Location:	Clark Hall 402D
Telephone:	408-924-5565
Email:	leonard.l.lira@gmail.com
Office Hours:	Tue, Wed, & Thur @ 3-4 PM or by appointment
Class Days/Time:	Thursday 6:00 PM – 8:45 PM
Classroom:	Clark 306

CANVAS Messaging

Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on the Canvas learning management system course website. You are responsible for regularly checking with the messaging system through the Canvas to learn of any updates.

Course Description

Public Budgeting reflects organization's strategy of resource allocation for policy making and implementation. Since government determines how much of the society's resources will be used for the public purpose, budgeting shapes the macro economy. Budgeting is also about assigning responsibility to implement policy. The purpose of this course is to help students understand budget process; obtain practical knowledge of budget reading; provide the analytic skills used in preparing budget report reflecting policy priorities by identifying and employing alternative sources of funding including grants, taxes and fees.

Course Goals and Learning Outcomes (CLO)

The overall goal is to educate public administration and non-profit professionals in public budgeting processes and procedures so they further develop the NASPAA recommended universal competencies, listed:

1. Lead and manage in public governance;
2. Participate in and contribute to the policy process;
3. Analyze, synthesize, think critically, solve problems and make decisions;
4. Articulate and apply a public service perspective;
5. Communicate and interact productively with a diverse and changing workforce and citizenry.

Upon successful completion of this course students will be able to

CLO1: Demonstrate professional ethics and a public service attitude in their explanation and assessment of key elements of the public budgeting process;

CLO2: Understand the political, social, economic, and cultural contexts of the US public budgeting systems at the federal, state and local levels and thereby be able to design and produce a flexible

budget for a public organization using alternative sources of funding, including grants, taxes and fees and reflecting policy priorities;

CLO3: Provide a strategic analysis, based on critical thinking, of the core budgetary issues faced by the US governments and other public organizations and provide a critical assessment of the strengths and limitations of different citizen engagement tools in the budgetary process and utilize various analytical tools of financial management, including forecasting models, performance based budgeting, discounting, and financial statement ratio analysis;

CLO4: Demonstrate team work and conflict resolution skills that utilize a public service perspective;

CLO5: Provide written and verbal communication that express their own ideas of innovative budgetary practices in a manner that supervisors and subordinates in public organizations can implement them.

Required Texts/Readings

Textbooks:

Nice, David. 2016, *Public Budgeting*, 2nd Edition. San Diego, CA: Birkdale. ISBN: 9781942456025

Mikesell, John L. *Fiscal Administration: Analysis and Application for the Public Sector* 10th Edition. Cengage. ISBN: 9781305953680—eBook is available at the SJSU Bookstore

Other readings will be also used in the class.

Other Recommended Text Book

Wang, Xiaohu. 2014. *Financial Management in the Public Sector: Tools, Applications and Cases*, 3rd edition. Armonk, NY: M.E. Sharpe ISBN: 9780765636898—eBook is available at the SJSU Bookstore.

Other readings will be provided by the professor if deemed necessary.

Useful Web Sites:

- Association of Budgeting and Financial Management (ABFM), available at <http://www.abfm.org/>.
- California Budget Project, available at <http://www.cbp.org/>.
- California Legislative Analyst's Office (LAO), available at <http://www.lao.ca.gov/laoapp/main.aspx>.
- Congressional Budget Office (CBO), available at <http://www.cbo.gov/>.
- U.S. Government Accountability Office (GAO), available at <http://www.gao.gov/>.
- Government Finance Officers Association (GFOA), available at <http://www.gfoa.org/>.
- Federal, State, and Local Governments (U.S. Census Bureau), available at <http://www.census.gov/govs/www/>.
- Public Policy Institute of California, San Francisco, available at <http://www.ppic.org/main/home.asp>.
- Rockefeller Institute of Government, Albany, New York, available at <http://www.rockinst.org/>.
- National Association for State Budget Officers (NASBO), available at <http://www.nasbo.org/>.
- National Conference of State Legislatures (NCSL), available at <http://www.ncsl.org/>.

Academic Journals:

Public Budgeting & Finance

National Tax Journal

Public Finance Review

Public Administration Review

State Tax Notes

Course Requirements and Assignments

1. Students are expected to read all the provided readings. All of the readings might not be covered in the class but it will help students understand the budget system and process. Through the reading, students are also expected to participate in the seminar. Through a series of class exercises, students are also required to co-work with other students.
2. Students should attend all meetings of their classes, not only because they are responsible for material discussed therein, but because active participation is frequently essential to insure maximum benefit for all members of the class. Attendance per se shall not be used as a criterion for grading but active and civil participation will be evaluated.
3. Complete all assignments and presentation on time. Late submission of grades will be penalized a letter grade for every day late. Treat them as if they were assigned with a firm deadline in your job. Students will submit most of their assignment through Canvas.

Grading and Assignment

Assignment and Exam	Due Date	Percentage
Group Projects		40% (total)
Group Project #1: Line Item Budget	Feb 19	10%
Group Project #2: Performance Based Budget	Mar 5	10%
Group Project #3: Cost-Benefit Analysis	April 2	10%
Group Project #4: Tax Evaluation	April 16	10%
Take Home Exam: Budget Preparation Exercise	Mar 19	20%
Final Paper presentation		3%
Final Paper	May 14	37%

Group Projects: You will have four budget assignments. The group projects are designed to help students to understand the nuts and bolts of budgeting (CLO1); to identify and employ alternative sources of funding, including grants, taxes and fees (CLO3). Students are also expected to learn how to work productively in teams (CLO5). I encourage students to form a group (**maximum member of three**) and work together for their assignments. Make sure that you have enough time to do the assignments since some of assignments will take more time than you expect. These assignments will be due at the beginning of a class. Late assignments will be punished by losing some credits, except only in special circumstances, such as governed by university policy. Each assignment will be weighted differently for final grade.

Take Home Exam (Budget Development Project): Students will be required to develop a budget based on the daycare budget case. By preparing the budget, students will be able to understand how to prepare a budget reflecting policy priorities (CLO2). You should submit it individually.

Budget Assessment and Review Project (Final paper project & Presentation): You will have one final budget assessment and review project. This final project is designed for students to understand the budgetary process of government/ nonprofit organization (CLO1). In the final group presentation, students should present oral information accurately, clearly, concisely (CLO4). You will present a 10-minute power point presentation and submit the project. This assignment must include budget process, review of budget formats including revenue side of budget and expenditure side of budget, capital budget and debt and budget audit. (See Assignment Workbook for details).

Rubrics for all assignments will be provided by the 2nd week of class.

Grading Policy

Student's grade will be determined by a weighted average of the letter grade earned. The letter conversion follows.

A+: 98-100% B+ 88-90% C+: 78-80% D+: 68-70% E: <60%
A: 95-97% B: 85-87% C: 75-77% D: 65-67%
A-: 91-94% B-: 81-84% C-: 71-74% D-: 61-74%

A grade of "A" reflects mastery of the material, with a strong and successful effort to think creatively about and go beyond the assigned material. A grade of "B" reflects a decent, comprehensive awareness of the assigned material. A grade of "C" reflects understanding of much of the material, but relatively weak and/or insufficient preparation of written work. A score of less than "C" reflects significant gaps in knowledge or repeated lack of performance in the various aspects of the course.

Dropping and Adding

Students are responsible for understanding the policies and procedures about add/drop, grade forgiveness, etc. Refer to the current semester's [Catalog Policies](http://info.sjsu.edu/static/catalog/policies.html) section at <http://info.sjsu.edu/static/catalog/policies.html>. Add/drop deadlines can be found on the current academic year calendars document on the [Academic Calendars webpage](http://www.sjsu.edu/provost/services/academic_calendars/) at http://www.sjsu.edu/provost/services/academic_calendars/. The [Late Drop Policy](http://www.sjsu.edu/aars/policies/latedrops/policy/) is available at <http://www.sjsu.edu/aars/policies/latedrops/policy/>. Students should be aware of the current deadlines and penalties for dropping classes. Information about the latest changes and news is available at the [Advising Hub](http://www.sjsu.edu/advising/) at <http://www.sjsu.edu/advising/>.

Consent for Recording of Class and Public Sharing of Instructor Material

- Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor's permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material.
- Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.

Academic integrity

Your commitment, as a student, to learning is evidenced by your enrollment at San Jose State University. The [University Academic Integrity Policy S07-2](http://www.sjsu.edu/senate/docs/S07-2.pdf) at <http://www.sjsu.edu/senate/docs/S07-2.pdf> requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The [Student Conduct and Ethical Development website](http://www.sjsu.edu/studentconduct/) is available at <http://www.sjsu.edu/studentconduct/>.

University Policies

Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs' [Syllabus Information web page](http://www.sjsu.edu/gup/syllabusinfo/) at <http://www.sjsu.edu/gup/syllabusinfo/>. Please peruse these policies at the link, as they apply to issues such as accommodations for students with learning or other challenges, religious holidays, and what is considered cheating or plagiarism.

PADM 218 Public Budgeting, 2015 Spring Semester Course Schedule

Course Schedule

Week	Date	Topics, Readings,
1	Aug 23	<p>Class Overview: Introduction to Public Budgeting Reading: Mikesell Chapter 1, Nice & Fisher Chapter 1. Completion of personal profile Discussion of grading policy and expectation Review of curriculum Review resources available for course work</p> <p><i>Students have to read class discussion topic article by next week to participate in the discussion next week</i></p>
2	Aug 30	<p>Budget as Policy Making Tool and How to Read a Budget Readings: Mikesell Chapter 2</p> <p>- James Carney and Stanley Schoenfeld. 1996. "How To Read a Budget," in Budgeting: Formulation and Execution. (Athens, GA: Carl Vincent Institute of Government).</p> <p>-Yourish, Karen, and Stanton, Laura. "A guide to the federal budget process." The Washington Post, February 2010. http://www.washingtonpost.com/wp-srv/special/politics/federal-budget-process/budgetprocess.pdf</p> <p>-E-Case: The U.S. Federal Budget Process - < https://www.hubertproject.org/hubert-material/397/></p> <p>Case Discussion: <u>Politics and Budget Strategies in Building the Tenn-Tom Waterway</u> -pg 103, Mikesell.</p> <p>Class exercise- Please bring your laptop</p> <p>Fix the Federal Budget: Today, you're in charge of the nation's finances. Some of your options have more short-term savings and some have more long-term savings. When you have closed the budget gaps for both 2015 and 2030, you are done.</p> <p>http://www.nytimes.com/interactive/2010/11/13/weekinreview/deficits-graphic.html</p> <p>Balancing Local government Budget: Since you have balanced the national budget, now do it at the local level. http://www.nytimes.com/interactive/2011/07/05/us/wilmington-budget.html?scp=10&sq=balanced%20budget%20amendment&st=cse</p>
3	Sep 6	<p>Revenue Sources and Revenue in Federal, State and Local Government Reading: Mikesell Chapter 4 and Chapter 5, Nice & Fisher, Chapter 2 & 3.</p>

Week	Date	Topics, Readings,
		<ul style="list-style-type: none"> • *Roy Meyers. 1999. "Legislatures and Budgeting." • *White, Joseph. 1998. Entitlement Budgeting vs. Bureau Budgeting. <i>Public Administration Review</i> 58:6:510-521. <p>* What would be differences between federal budget and state level budget? Discuss it based on process of budgeting, legal limitation and practices of budget. Why do you think we have federal deficit crisis?</p>
4	Sep 13	<p>Budget Preparation and Master Level Budgeting</p> <p>Reading:</p> <ul style="list-style-type: none"> - Mikesell Chapter 3; Nice & Fisher Chapter 4. - Marvin Friedman. 1996. Calculating Compensation Cost. Chapter 26 in <i>Budgeting: Formulation and Execution</i>, edited by Jack Rabin, W. Bartley Hildreth, and Gerald Miller. Athens, GA: Carl Vinson Institute of Government - Seven Letters: Reading will be available in the Canvas <p>*Optional Reading:</p> <ul style="list-style-type: none"> • Jacqueline H. Rogers and Maritah B. Brown, —Preparing Agency Budgets, (excerpt, pp441-449) in <i>Handbook of Government Budgeting</i>. • Meyers, Roy and Irene Rubin. 2011. The Executive Budget and the Federal Government: The First Century and Beyond. <i>Public Administration Review</i> 71(3): 334-44. <p>Exercise Line Item Budgeting</p>
5	Sep 20	<p>Different Types of Budgeting</p> <p>Reading:</p> <ul style="list-style-type: none"> - Mikesell Chapter 6; <p>*Optional readings</p> <ul style="list-style-type: none"> • Joyce, Philip. 2011. The Obama Administration and PBB: Building on the Legacy of Federal Performance-Informed Budgeting. <i>Public Administration Review</i>. 71 (3): 356-367. • Yilin Hou, Robin S. Lunsford, Katy C. Sides, and Kelsey A. Jones “State Performance-Based Budgeting in Boom and Bust Years: An Analytical Framework and Survey of the States” 2011 370-388 • C. Nelson Easerling, Performance budgets in Florida: to muddle or not to muddle that is the question in <i>Case Studies in Public Budgeting and Finance</i> .115-126 • Chapter 11, Moynihan, Donald & Ivor Beasley. (2016) <i>Toward Next Generation Budgeting: Lessons from Experiences of Seven Reforming Countries</i>. World Bank Group: Washington D.C. @ https://openknowledge.worldbank.org/bitstream/handle/10986/25297/9781464809545.pdf?sequence=2 <p>Exercise: Performance Based Budgeting Submission of First Assignment: Line Item Budgeting</p>

Week	Date	Topics, Readings,
6	Sep 27	<p>Cost Estimation Reading: -E-Case Reading: True Program Cost < https://hubert.hhh.umn.edu/TrueProgramCostsEStudy3/index5.html> -Finkler Chapter 4: Understanding Cost - Ammons, David. Identifying the Full Costs of a Program. Chapter 46 in <i>Budgeting: Formulation and Execution</i>, edited by Jack Rabin, W. Bartley Hildreth, and Gerald Miller. Athens, GA: Carl Vinson Institute of Government.</p> <p><i>Extra Credit Exercise (2 point)- Cost estimation</i></p>
7	Oct 4	<p>Capital Budgeting - Mikesell Chapter 7; Nice & Fisher Chapter 8</p> <p>Reading * Patricia Wingfall and Thomas D. Lynch: Capital budgeting practices in local government: Comparative Study of Two States in <i>Case Studies in Public Budgeting and Finance</i> .241-254</p> <p>*Craig Johnson and John Mikesell, The Orange County Debacle : Where the irresponsible cash and debt management practices collide in <i>Case Studies in Public Budgeting and Finance</i> .585-596</p> <p>* Please bring your lap-top computer if it is possible). • - Class Exercise- Cost benefit Analysis</p> <p>Assignment 2 Performance Based Budgeting</p>
8	Oct 11	<p>Taxation Criteria for Evaluating Revenue Option Mikesell Chapter 8;</p>
9	Oct 18	<p>Assignment 3: Cost benefit analysis</p>
10	Oct 25	<p>Income and Sales Tax -Mikesell Chapter 9 and chapter 10, Nice & Fisher Chapter 2. Midterm Exam Submission by midnight</p>
11	Nov 1	<p>Property Tax and User Fees Mikesell Chapter 11 and 12, *Pricing public services. Needs and Caggiano Chapter 18 in <i>Budgeting: Formulation and Execution</i>, edited by Jack Rabin, W. Bartley Hildreth, and Gerald Miller. Athens, GA: Carl Vinson Institute of Government Assignment 4: Sales Tax evaluation</p>
12	Nov 8	<p>Revenue Forecasting Mikesell Chapter 13, Nice & Fisher Chapter 5. *Howard Fleeter and L. Lee Walker “Revenue Forecasting” in <i>Case Studies in Public Budgeting and Finance</i> .209-224 -Reliability Autonomy Matrix E-Study < https://www.hubertproject.org/hubert-material/373/></p>
13	Nov 15	<p>Intergovernmental Fiscal Relation and Debt Administration - Mikesell Chapter 14 and Chapter15; Nice & Fisher Chapter 10</p>

Week	Date	Topics, Readings,
14	Nov 22	Non-Instructional Day – Campus Open
15	Nov 29	Final Paper Research Week
16	Dec 6	Final Paper Presentation
17	Dec 13	Final Paper Submission (by 11:59 pm)