PA 583 ADVANCED BUDGETING: CONCEPTS & TECHNIQUES

SYLLABUS

COURSE BASICS

Instructor: Scott Lazenby, Ph.D. Public Administration & Policy; M.S. Public Management & Policy; and City Manager for Sandy, Oregon.

Contact: slazenby@pdx.edu or D2L mail. 503/668-6927 (work), 503/894-1448 (personal cell). Office Hours: By arrangement.

Class Meets: February 9, February 23, and March 9, 2013 in Cramer 325.

TEXTS


Scott Lazenby, The Human Side of Budgeting—or- Budget Games and How to End Them (unpublished manuscript available via D2L)

COURSE GOALS

A public sector budget serves many purposes: it is a policy statement; a financial plan; a mechanism for accountability and transparency; and a legal control on the organization. For the public administrator, however, the budget is first and foremost a management tool. This course is intended to take participants beyond mere familiarity with budgeting, to mastery of the tool. A course prerequisite is completion of PA 582, Public Budgeting, or some experience with a budget process in a government or nonprofit setting.

This is a course on public management, using the budget as a special case. Many aspects of public management—civic engagement, group processes, human relations, understanding of group and individual psychology, political sensitivity, leadership, management, and decision-making skills—are critical in preparing and managing a budget.

EMPA Core Competencies and PA 583 Learning Objectives

Students in the EMPA program will master the following competencies by graduation, as evident through their demonstrated ability to:

1. Articulate and exemplify the ethics, values, responsibilities, obligations and social roles of a member of the public service profession.

Learning objective: Understand the importance of (and put into practice) transparency, integrity, and establishment of trust in the context of budget management. Demonstrate a strong public service ethic in approaches to practical and theoretical budget problems. Appreciate and respect democratic processes, and the role of elected officials and governing board members in setting priorities for the organization.

2. Identify and apply economic, financial, legal, organizational, political, social, and ethical theories and
frameworks to the practice of public service leadership, management and policy.

*Learning objective: See the objectives for individual modules.*

3. Respond to and engage collaboratively with diverse local and global cultures and communities to address challenges in the public interest.

*Learning objective: Gain knowledge and skills in methods of civic engagement that enable the values and desires of diverse constituencies to be reflected in the processes used for budget decisions.*

4. Identify and engage with the key elements of the public policy process.

*Learning objective: Become familiar with a variety of methods of framing budget policy decisions for policy makers, and the advantages and disadvantages of each.*

5. Employ appropriate qualitative and quantitative techniques to investigate, monitor and manage human, fiscal, technological, information, physical, and other resource use.

*Learning objective: Employ qualitative and quantitative techniques in preparing budget estimates, and calculating debt service and tax rates for bond-funded capital improvements. Understand the information shown in a typical Comprehensive Annual Financial Report.*

6. Create and manage systems and processes to assess and improve organizational performance.

*Learning objective: Develop performance measures for a variety of public services; understand the challenges in performance measurement and methods to overcome some of the challenges.*

7. Conceptualize, analyze, and develop creative and collaborative solutions to challenges in public policy, leadership and management.

*Learning objective: Use techniques for tapping into the creativity and skills of others in the organization to identify and respond to financial challenges.*

8. Assess challenges and explore solutions to advance cross-sectoral and interjurisdictional cooperation in public programs and services.

*Learning objective: Understand the complex financial interactions that governments and non-profit organizations can have with other agencies, on both the revenue and expenditure sides of the budget.*

9. Demonstrate verbal and written communication skills as a professional and through interpersonal interactions in groups and in society.

*Learning objective: Learn new techniques for persuasive communication, practice them, and break bad habits in verbal and written presentations.*

10. Think critically and self-reflectively about emerging issues concerning public service management and policy.

*Learning objective: Focus especially on the human behavior aspect of budgeting.*
EQUIPMENT
Several exercises will include hands-on application of current best practices in budgeting. They will require access to spreadsheet software (MS Excel or Open Office), and for the in-class exercises, a computer.

SUBMITTING ASSIGNMENTS.
Assignments should be submitted via the D2L "dropbox" feature.

OFFICE HOURS AND E-MAIL. Individual questions can be submitted via D2L mail. If, however, you are not getting a response to an e-mail question quickly, you can also send an e-mail directly to slazenby@pdx.edu, putting PA583 somewhere in the subject line. You can also call me on the numbers listed above.

COLLABORATION.
The in-class exercises can be done in teams or individually, as desired. The "take-home" homework assignments, however, must be done individually unless otherwise noted. If you have questions or need advice from the instructor or classmates, feel free to share them via D2L or other means, but do individual work in building spreadsheets and writing reports.

EVALUATION AND GRADING. Course grades will be determined by the following weightings:
Assignments (Capital Budgeting and Library ECB Budget assignment)—41%; Final Exam—12%; Quizzes—4%, Final Paper—31%; Class Participation—12%. Of more long-term use than a single letter grade, written feedback will be provided on each assignment.

USE OF D2L. The class is designed to take full advantage of the EMPA format: a relatively small cohort that gathers in a physical classroom setting. In-class time will be dedicated to discussions, role playing exercises, and other activities that take advantage of face-to-face communications. The Desire-to-Learn (D2L) on-line tool will be used for individual activities: reading, quizzes, and submission of assignments. It is not a hybrid course: we will not use D2L as a substitute for classroom discussions. Important: You can use this syllabus for links to all the D2L resources we will use in the course. It will serve as a form of expanded checklist for you.

SESSION 1: The Budget as a Management Tool.

Read (prior to the first session, if possible):

The Human Side of Budgeting (unpublished text; pdf version) -- Chapters 1-4  Note: when you've completed these two reading assignments, take this brief quiz.

(39x158)of the text should work with iPads, using a Kindle or iBook app)

Assignment (due next session): ECB Budget Preparation (Library). **D2L resources:**

**(NOTE: most of these files will open in a new window or tab)**

- In-class Line Item exercise - [instructions](#)
- In-class Line Item exercise - [spreadsheet](#)(optional)
- In-class ECB budget exercise - [instructions](#)
- In-class ECB budget exercise - [spreadsheet](#)
- Library budget homework assignment - [instructions](#) (Word)
- Library budget homework assignment - [spreadsheet](#)
- [Dropbox](#) for library spreadsheet and cover memo
- [Business writing tips](#)

**SESSION 2: The Budget as a Financial Management Tool.**

Readings:

- [The Human Side of Budgeting](#) -- Remainder of the book
- [Governmental Finance Tips & Terms for Budget Managers](#). **After you do this reading, take this brief [quiz](#).**


[Local Budgeting Manual](#), State of Oregon Department of Revenue.

Overview. Organizations and players in governmental finance. Basis of Governmental Accounting. Double-entry accounting: why it is used. Types of funds. Chart of accounts: familiar elements (revenue and expenditure accounts) and less familiar elements. Sample journal entries. Why Timing of Transactions Matters in Budgeting. Budget Basis—Full accrual, modified accrual. The CAFR—how to read it, what it means. GAAP vs. Budget Reports. (This session is more interesting than it sounds.)


Assignment (due next session): Budgeting & Financing a New High School

**D2L Resources:**

- Completed spreadsheet for the in-class [exercise](#) (5-year amortization table)
- Capital Budget Assignment (financing a high school) - [instructions & worksheet](#)
- [quiz](#) for submitting your answers.
- [Dropbox](#) for submitting your working spreadsheet.
SESSION 3: The Budget as a Public Leadership Tool

Reading:

Bland, Budgeting Guide, Chapter 6, Performance Measurement


Assignment: Final exam, and Final integrative assignment. Due in the dropbox by midnight, March 22.

D2L Resources:

- In-class exercise -- financial forecasting exercise -- spreadsheet
- Resource: Excel trendlines -- spreadsheet
- **Final exam.** Complete the open-book timed final exam any time between March 10 and March 22.
- Instructions for final paper. Depending on your career interest, choose one of the following:
  - Local government assignment
  - Nonprofit organization assignment
  - State or national government assignment
- Dropbox for submitting the final paper and associated materials