Cleveland State University  
Levin College of Urban Affairs  
PAD, PDD, and UST 633 – Budgetary Policy (4 Credit Hours)  
Spring 2007

Instructor: Dr. Floun'say R. Caver  
Time: Monday 6:00PM to 9:50PM  
Phone: 216.225.2083  
Email: fcaver@yahoo.com  
Office Hours: By Appointment. Please call or email for a time.

Course Objective:  
This course is designed to be a graduate level introduction to public budgeting. The course combines public budgeting theory and practice. The course will cover the importance of budgeting and finance to public policy makers and public administrators; examine sources of city and state finance information; and examine revenue, expenditure, and debt structures of American cities. This course will provide a solid financial decision making foundation for non-financial managers as well as for students seeking future careers in public finance and budgeting. Cross-listed with PDD 633 and UST 633.

Text Books:  
Public Budgeting Laboratory


Required Materials:  
Scientific Calculator  
Microsoft Excel and PowerPoint (Available in Computer Lab)
Course Schedule:

Week 1    January 15, 2007
No Class:  MLK, Jr. Holiday

Week 2    January 22, 2007
Topics:
2. Introduction to Microsoft Excel.
3. Review of the Public Budgeting Laboratory Tools
4. Review of Federal Budget: Items and Issues

Assignment #1: (Due Next Week)
1. Write a three page essay analyzing the President's State of the Union Address on January 23, 2007. The analysis should discuss any references to employment trends, GDP, inflation, or other socioeconomic indicators. In addition, analyze the financial effects of major policy topics as defined by the President. Conclude with a discussion of any omissions that you believe are important. You can obtain a written copy of the State of the Union Address from www.cnn.com or www.whitehouse.gov.
2. Students should be prepared to present their essay in class. Presentations should be approximately 5 minutes. Five students will be chosen at random.

Week 3    January 29, 2007
Topics: Budgetary Theory and Political Economy
1. Incrementalism and Punctuated Equilibrium
2. Local Government Structure
3. Fiscal Federalism
Readings: Rabin et al. Budgeting Formulation and Execution, Ch. 1-4
Public Budgeting Laboratory – in class Excel exercises.

Week 4    February 5, 2007
Topics: Budgetary Theory and Political Economy Con’t.
1. Local Political Economy
2. Local Government Policy Arenas
3. Economic Base, Calculating Export Employment
Readings: Rabin et al. Budgeting Formulation and Execution, Ch. 5-8
Assignment #2 Due: (see additional info on p. 5)
1. Input all Collected Revenue into a spreadsheet. Sort by Year 5 in Descending Order.
2. Create Graphs of the top 5 revenue sources
3. Students should be prepared to present their reports in class. Presentations should be approximately 5 minutes. Five students will be chosen at random.
4. Compare Actual vs. Projected receipts for the top 5 revenue sources.
Week 5  February 12, 2007
Topics: Budgeting Setting
   1. How to Read Budgets
   2. Productivity and Budgeting
   3. Trend Monitoring
   4. Cutback Management
Readings: Rabin et al.  Budgeting Formulation and Execution, Ch. 9-13

Week 6  February 19, 2007
No Class: Presidents Day

Week 7  February 26, 2007
Topics: Budget Classifications, Reform, Revenue Sources, and Structures
   1. Traditional Budgets vs Performance and Program Budgets
   2. Criteria for Evaluating Revenue Options
   3. Understanding Property Taxes, Income Taxes, and User Fees
Readings: Rabin et al.  Budgeting Formulation and Execution, Ch. 14-17
Assignment # 3 Due:
   1. Public Budgeting Laboratory Task 3 & 4

Week 8  March 5, 2007
Topics: Revenue Sources Continued and Revenue Forecasts/Estimates
   1. Understanding Taxes on Goods and Services
   2. Forecasting Techniques
   3. Public Budgeting Laboratory Revenue Analysis
Readings: Rabin et al.  Budgeting Formulation and Execution, Ch. 18-20

Midterm Examination – Take Home, Public Budgeting Laboratory Exercises.
Due March 19, 2007

Week 9  March 12, 2007
Spring Break

Week 10  March 19, 2007
Topics: Calculating Compensation Costs, Capital Budgeting, Budget Execution
   1. Understanding labor contracts and budget effects
   2. Capital Improvement Plans (CIPs)
   3. Controlling the Budget (Qtrly Financial Reports)
Readings: Rabin et al.  Budgeting Formulation and Execution, Ch. 25-28
Week 11  March 26, 2007
Topics:  Budget Expenditures
  1. Cost Benefit Analyses 
  2. Net Present Value Analyses 
  3. Understanding Discount Rates 
Readings:  Rabin et al.  Budgeting Formulation and Execution, Ch. 21-24 
Assignment #4 Due: 
  1.  Public Budgeting Laboratory Task 5 & 6

Week 12  April 2, 2007
Topics:  Debt Management 
  1. Developing Debt Policies 
  2. Fundamental of Revenue Bond Credit Analysis 
In Class Speaker on Public Debt 
Readings:  Rabin et al.  Budgeting Formulation and Execution, Ch. 32-35 

Week 13  April 9, 2007
Topics:  Creating Performance Management Systems 
  1. Bench-Marking 
  2. Balanced Scorecard 
  3. Performance Cultures 
Assignment #5 Due: 

Week 14  April 16, 2007
Topics:  Financial Reporting 
  1. The Audit Process 
  2. The Government Accountability Office 
  3. CAFR 
  4. Financial Ratios 
Readings:  Rabin et al.  Budgeting Formulation and Execution, Ch. 47-50 

Week 15  April 23, 2007
Catch-up Day and In class presentations

Week 16  April 30, 2007
In class presentations

Week 17  May 7, 2007
Final Examination
Grading Scale:

A  95 – 100
A- 90 – 94
B+ 86 – 89
B  80 – 85
C  70 – 79
D  60 – 69
F  0 - 59

Assignments and Weights:

1. Assignment 1: 10%
   Write a three page essay analyzing the President’s State of the Union Address on January 23, 2007. The analysis should discuss any references to employment trends, GDP, inflation, or other socioeconomic indicators. In addition, analyze the financial effects of major policy topics as defined by the President. Conclude with a discussion of any omissions that you believe are important. You can obtain a written copy of the State of the Union Address from www.whitehouse.gov or www.cnn.com.

   Students should be prepared to present their essay in class. Presentations should be approximately 10 minutes. Five students will be chosen at random.

2. Assignment 2: 10%
   Information is found in the Public Budgeting Laboratory Data Sourcebook
   Input all Collected Revenue into a spreadsheet.
   Sort by Year 5 in Descending Order.
   Create Graphs of the top 5 revenue sources. Compare the actual vs. projected receipts for the top 5 revenue sources.
   Students should be prepared to present their reports in class. Presentations should be approximately 5 minutes. Five students will be chosen at random.

3. Assignment 3: 10%
   Complete Workbook Task # 3 & #4. The info should be typed. Financial Data should be done in Microsoft Excel Spreadsheets.

4. Assignment 4: 10%
   Complete Workbook Task # 5 & #6. The info should be typed. Financial Data should be done in Microsoft Excel Spreadsheets.

5. Assignment 5: 10%
   Complete Workbook Task # 7 & #8. The info should be typed. Financial Data should be done in Microsoft Excel Spreadsheets. Use Least Squares Trend Line for Projections. Only Project Major Revenue – Top 10 and the Total Revenue.
6. Midterm Examination: 25%

7. Final Paper: 25%
Students are required to research and present four (4) Government Accountability Reports dealing with a financial/budgeting matter. The four reports must be related so as to allow one to develop a general conclusion about the topic. Topics may include:
Performance Management
Benchmarking
Program Benefits vs. Cost
Purchasing Cards
Defense Department Spending
Iraq War Accountability
Fiscal Stability
Etc.

The paper should be 7 -10 pages double-spaced in 12 font.
The presentation must be done in PowerPoint and should last 15 Minutes.

More information will be given in class.

Special Needs:
Students requiring special assistance should inform the instructor immediately.
This includes and ADA, University approved special circumstances, etc.

Disclaimer:
As with most quantitative courses, this is a roadmap. Topics may be shuffled, prolonged, or postponed as a result of class discussion and/or class progress.