CLEVELAND STATE UNIVERSITY
Maxine Goodman Levin College of Urban Affairs
SPRING SEMESTER 2010

SYLLABUS
BUDGET POLICY AND MANAGEMENT
PAD 633  UST 633  PDD 633

Instructor:  Sylvester Murray
Time:  Wednesday 6:00 – 9:50 p.m.
Office Hours:  UR 342  by appointment. Please e-mail.
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TEXT BOOKS


COURSE DESCRIPTION
This course introduces students to the theory and practice of budgeting at all levels of government. The Lee text emphasizes methods by which financial decisions are reached within a system as well as ways in which different types of information are used in budgetary decision-making. The Bland text has a particular emphasis given to budgeting in local government because of its historical role as an incubator for budget innovations and its accessibility to citizens. It reviews sources of revenue, patterns of expenditure and the debt structure of American governmental units. It also includes an examination of budgetary processes, formats and accounting systems.

LEARNING OBJECTIVES
- Acquire an understanding of what is a budget, its legal status, and how to read it
- Acquire an understanding of how the budget functions as a management and policy tool
- Acquire an understanding of budget terminology, procedures and their formats
- Acquire an understanding of taxation, public goods and public economic policies

COURSE REQUIREMENTS
a. Attendance and punctuality are expected in all classes. If an absence is essential, the student is still responsible for any assignment made or due during the absence.
b. Prepare and submit all assignments according to instructions. A lesser grade will be given if instructions are not followed, and points will be deducted on assignments turned in late.
c. A major paper as described.
COURSE GRADE | GRADING SCALE
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Assignments | 45% | A 94 – 100 | B+ 86 – 89 | C 70 -79
Major Paper | 30% | A- 90 – 93 | B 80 – 85 | D 60 -70
Final Exam | 25% |

SCHEDULE OF TEACHING AND LEARNING EVENTS

January
20  Orientation
27  Lee C- 1  Introduction  
     Bland C-1  Introduction to Budgeting

February
03  Lee C-2  Public Sector in Perspective
10  Lee C-3  Budget Cycles  
     Bland C-2  Budget Cycles
17  Lee C-4  Revenues: Income, Payroll, Property Taxes
24  Lee C-5  Revenues: Transaction Based Revenue Sources

March
03  Lee C-6  Budget Expenditures
10  Lee C-7  The Decision Process  
     Bland C-3  Managing the Budget Process
17  Spring Break
24  Lee C-8  The Role of the Legislature
31  Lee C-10  Budget Execution  
     Bland C-4  Implementing the Approved Budget

April
07  Lee C-11  Financial Management, Accounting, Reporting and Auditing  
     Bland C-5  Financial Accountability
14  Lee C-12  Capital Assets Planning and Budgeting  
     Bland C-7  Capital Budgeting
21  Lee C-13  Capital Finance and Debt Management
Assignments

#1
Write a four page paper, double spaced, reviewing and analyzing the President’s State of The Union Address. Emphasize the major economic and budgetary policy issues, such as employment trends, business growth, inflation, taxes and other domestic policies, but review also the foreign issues that affect the Federal budget. Conclude your paper with your opinions or what he said and a discussion on any omissions that you believe are important. Be prepared to read your paper in class.

Paper due ________________________.

#2
Attend a budget public hearing of a governmental agency. Write a three page paper which explains the dynamics of the budget presentation by the executive and its acceptance by the legislative body. What were the big issues? How were decisions made on particular contentious issues. Attach an exhibit of the budget being discussed at the hearing.

Paper due __________

#3
Use Excel to format a governmental budget using the data in the worksheets provided.

Spreadsheets due _______________________.
Major Paper
Select a local government (city, county or special district) or a nonprofit organization, and prepare an analysis of its budgeting procedures using the following format.

Part I  Introduction
Name of entity. Chief Executive, Chief Financial Officer. Type of budget. Fiscal Year. Submission, public hearing and adoption dates.

Part II  The Budget Process
Discuss in detail the process for preparing and approving the entity’s budget. When and who prepares revenue forecasts? Do they have budget policies vs budget guidelines. Who prepares, reviews, adopts them? Evaluate the budget policies or guidelines. What are the qualifications of the budget staff? What seems to be the guiding philosophy/style of the chief executive (participatory, limited debate, arbiter)? What kinds of conflicts appear to permeate the process. How is the legislative body involved in budget preparation? What kind of software capabilities support the budget function? How are citizens/stakeholders involved in the budget process?

Part III  The Budget Document
Discuss in detail the information used in making budget decisions. Does the information prepared by department heads appear to be effectively used in budget deliberations? At which point are departments desires accepted or rejected? Do department heads regard the process as fair to them? Are performance measures used in the budget process? How are budget priorities set? What budget format is used? What data and information is actually printed in the budget document?

Part IV  Overall Recommendations
What recommendations would you offer to improve the budget process and the budget document. Why?

Instructions:
The Major Paper should be 15 – 25 pages in length, double spaced and accurately referenced. The use of endnotes in lieu of footnotes is preferred. You should obtain a copy of the budget manual, budget and annual financial report of a unit of government or nonprofit agency by February 3rd and look at it during classes to facilitate your writing the paper. Class materials should be integrated into your paper. For very large entities you may want focus on just one or two departments.

The Major Paper is due ____________________