

GOVERNMENT BUDGETING AND FINANCE
PADP4630 - Fall 2007
University of Georgia
Department of Public Administration & Policy
Instructor: Hui Li

Time: TR 2:00 - 3:15PM

Location: SLC 350

Office: 107 Baldwin Hall

Office Hours: Tuesday and Thursday, 1:00 to 1:50pm, or by appointment

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Course Description

This course is an introductory course in government budgeting and finance, dealing with public revenue and expenditure policies, financial management, and politics of the budgetary process. The purpose of this course is to introduce students to the theories, concepts, and practice of government budgeting and finance and to expose them to the current issues and challenges in this field.

By the end of the course, students should have a basic understanding of 1) what is public budgeting and what budgets are expected to do, 2) government revenues, spending, and borrowing, 3) the budget cycle and politics of the budgetary process, 4) techniques of budgetary analysis, 5) capital budgeting and debt management, 6) relationship between the economy and public budgeting, and 7) fiscal federalism. It is intended that students will leave the course with a substantive understanding of the theory and practice of government budgeting and finance in the United States.

The course is composed of readings, lectures and class discussions, and will make liberal use of various in-class assignments and exercises.

Required Readings

Required text (available at UGA bookstore): David C. Nice, *Public Budgeting*, Wadsworth Publishing, 2001, first edition.

Recommended (optional) text (on reserve at the main library, password "fall2007"): *Public Budgeting systems*, by Robert D. Lee, Jr., Ronald W. Johnson, and Philip G. Joyce, eighth edition, 2007, for two supplementary readings. It can also be purchased at the publisher's website (<http://nonprofit.jbpub.com/catalog/0763746681/>).

We will be making liberal use of handouts and other reading materials to supplement the texts as we go along. Several of the required supplementary readings are identified in the “Course Schedule” section below and have been made available at the main library as either electronic or hard copy reserves (password “fall2007”) and others will be distributed as appropriate.

Assigned readings should be completed **prior** to class. Students are also expected to read newspapers to keep abreast of budget issues—many are covered regularly—and they will be used as a springboard for class discussion. The following newspapers should be systematically reviewed: Atlanta Journal-Constitution, New York Times, Washington Post, Wall Street Journal and USA Today.

Communication

I will add all students to a course e-mail listserv, using **only** official UGA e-mail addresses, and **it is expected that all students check their e-mail daily**. The best way to contact me outside of class is by e-mail, though students are encouraged to contact me by phone as well. Please attend office hours and ask questions as necessary.

Grading

Examinations Three examinations will be administered during the semester. The first examination to be given on Tuesday, September 25th and the second examination to be given on Tuesday, October 30th will each constitute 20% of the student’s final grade, and the final examination to be given on Tuesday, December 11th will constitute 30% of the final grade.

Each examination is closed-book/closed-note. Students may be tested on any material in the assigned readings, even if not discussed in class, and any material discussed in class that is not included in the assigned readings, making it important that students attend class. In our discussions throughout the semester I will highlight areas of focus for test preparation and provide “guiding questions” which are helpful to prepare you to take the exams.

Contemporary Events Journal Each student should submit a contemporary events journal no later than Tuesday, November 27. The journal will constitute 30% of the student’s final grade. It should contain photocopies or printouts of six newspaper articles, each of which reports an event related to an important theme discussed in class or treated in the required readings. Each article must be accompanied by a 1-2 page analysis of the meaning and significance of the event (typed, double-spaced, 12-point font). The analysis should be a demonstration of your critical thinking about the event reported in the article. It should not be a simple repetition or summary of the article. The journal should conclude with a 2-5 page summary and analysis of the collective significance of the

events reported in the articles (also typed, double-spaced, 12-point font). In addition to the newspapers mentioned in the “Required Readings” section above, the Congressional Quarterly Weekly Report may also prove to be a valuable source of information. The importance of the articles selected and the quality of the analysis will be considered in evaluating the contemporary events journal.

Grading Scale Each student’s final grade will be determined by a weighted average of the points earned, as per the grading scale below.

A: 93 percent and above	C+: 77-79 percent
A-: 90 to 92 percent	C: 73-76 percent
B+: 87-89 percent	C-: 70-72 percent
B: 83-86 percent	D: 60-69 percent
B-: 80-82 percent	F: 59 percent and below

Academic Honesty

Academic honesty is taken very seriously in this course. All students are required to know and understand the University’s Academic Honesty Policy which can be found at the following website: http://www.uga.edu/ovpi/honesty/culture_honesty.htm. All students are responsible for maintaining the highest standards of honesty and integrity in every phase of their academic careers. The penalties for academic dishonesty are severe and ignorance is not an acceptable defense.

Other Course Policies

Attendance: Required.

Late Assignments: Late assignments are not accepted without prior approval, and a penalty will be assessed on all late assignments.

Make-up Exams: make-ups will only be permitted under *extreme* circumstances with documented proof, such as a medical emergency, and are solely at the discretion of the instructor.

Disabilities: Students with any form of disability should inform the instructor during the first week of class so that reasonable accommodations can be made.

Class Etiquette: Arrive at class on time. Turn off all electronic devices during class. Leaving classes early, chatting during lectures, text messaging, emailing, and surfing the web are prohibited in class.

Syllabus: This syllabus serves as a general outline. The instructor reserves the right to

modify any part of the plan as necessary. Students will be notified promptly of any such modifications.

Course Schedule

Date	Topic and Assignment
08/16	Introduction to class
08/21-23	What is public budgeting, the purposes of public budgeting; differences between public and private budgeting; why study public budgeting. Nice, 1.
08/28-30	Overview of governmental revenues, spending, and borrowing. Nice, 2; LJJ, 2
09/04-06	Economics and public budgeting—the role of government; the interaction between the economy and public budgeting. Nice, 9.
09/11-13	Revenue sources, structure and administration. LJJ, 4-5; handouts.
09/18-20	Budget decision-making, incrementalism and rationality in budgeting; analysis and strategies in decision-making. Nice, 1 & 5; Schick (on reserve).
09/25	Exam 1
09/27-10/02	An overview of the budget processes: similarities and differences across governments; timing problems in the budget cycle. Nice, 3.
10/04-09	Budget preparation; alternative formats; departmental roles; the power of the Chief Executive; informal actors. Nice, 4.
10/11-16	Legislative review and approval; a fragmented committee process at the national level; the role of the chief executive and other actors. Nice, 6.
10/18-23	Budget execution; control over the spending process and discretion in spending; accounting and audits. Nice, 7-8.

- 10/25** **Fall Break -- No Class**
- 10/30** **Exam 2**
- 11/01-06 Case study: Georgia State budgeting. Lauth (on reserve).
- 11/08-13 Capital budgeting, debt administration and cash management. Nice, 8.
- 11/15-20 Intergovernmental aspects of public budgeting. Nice, 10.
- 11/22** **Thanksgiving Holiday – No Class**
- 11/27-29 Reforming the budget process. Nice, 11. Wildavsky (on reserve).
(Contemporary events journals are due on November 27.)
- 12/06 Summary and Q&A section.
- 12/11** **Final Exam 3:30 p.m. to 5:30 p.m.**