

The State University of West Georgia

POLS 5203 /Public Budgeting

Fall Semester, 2003

Professor Said Sewell, Ph.D.

Office Location: Pafford Hall (Main Campus) 136

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Catalog Description

This course provides a general overview of budgeting procedures in the public sector. Fundamental concepts and practices of budgeting, financial management and public finance are introduced for all levels of government with special emphasis on state and local government budgeting and financial management in the United States.

Learning Outcomes:

Students will demonstrate that they have developed:

- 1) an understanding of the terminology needed to participate effectively in the budget process.
- 2) skills needed to prepare a departmental budget request.
- 3) a capacity to recognize the most commonly used budget formats.
- 4) abilities to practice making budget presentations.
- 5) skills for making budget entries into the financial records, including appropriations, encumbrances, expenditures, revenue and financial statements.
- 6) abilities to write policy statements
- 7) an understanding of how to perform cash management, capital expense plans and accounting tasks

REQUIRED READING MATERIAL:

Bland, Robert and Irene Rubin, Budgeting: A Guide for Local Governments, Washington, DC: ICMA, 1997.

Rabin, Jack, W. Bartley Hildreth, and Gerald Miller, eds. 1996. Workbook, Second Edition. Carl Vinson Institute of Government.

Irene Rubin, The Politics of Public Budgeting: Getting and Spending, Borrowing and Balancing, 4th. Chatham, N.J.: Chatham House, 2000.

Annual Budget from a city.

**Supplemental readings maybe added.

Participation/Attendance:

Required

Grading Policies:

1. Homework assignments from the Workbook are required and will be graded on the basis of understanding of concepts and completeness of coverage. Average score for all homework will constitute 5 percent of course grade.
2. A midterm exam will constitute 30 percent of the course grade.
3. A final exam will constitute 40 percent of the course grade.

4. Research Critique will constitute 10 percent
5. Budget Project will constitute 10 percent
6. Class participation will constitute the remaining 5 percent of the course grade

Instructions for Research Critique:

The purpose of this assignment is to exercise your skills at critically analyzing research that is published in academic journals. Determine what topic or issue related to public budgeting at any level of government you are interested in reading more about. Then read and critique two published research article that focuses on the topic or issue. You can select the article from any of the **major journals (I will provide you with a listing of the possible journals)**. You are required to give a brief oral summary of your critique. Your written critique is due at the end of the class for which you are presenting. A handout will be forthcoming.

Instruction for Budget Project:

The purpose of this project is to provide you the opportunity to develop practical knowledge about budget practices and techniques. You must choose a federal, state, or local government of single agency and conduct in-depth analyses of revenues and expenditures for the past six years. You are responsible for interviewing the government and/or agency budget/fiscal officer(s) to determine budget roles and strategies and provide a description of the budget process. Also, you will need the appropriate legislation and budget documents to gather the fiscal data necessary to complete the project. Your completed project will be a written analysis of the budget process for the government or agency of your choice, supported with tables, a graph, and an organization chart. You must provide an oral and visual presentation of your analysis. Your written project will be due November 21st at 7:00 PM. Your written presentation should be at least 10 typed pages, double-spaced, 12 point type, and 1" all around. A handout will be forthcoming.

1. Fundamental Principles of Budgeting and Public Finance

Reading:

Lindbolm, "The Science of Muddling Through"

Yates, Chp 8

Dahl, "With the Consent of All"

C. Wright Mills, "The Power Elite"

Text, Ch. 1

James Carney and Stanley Schoenfeld, "How To Read a Budget"

- Case: [Nation Land](#) (in-class group assignment)

Exercise #1: [Reading a budget](#) (done outside of class in groups)

2. Budget Economic and Political Contexts for Financial Management

Reading:

Rubin, Ch. 1 & 3

John Mikesell, [Fiscal Administration](#), 4th ed. (Wadsworth Publishing Co, 1995), Ch. 3

3. Budget preparation: Format, Formulation, and Institution

Reading:

Text Chps. 2, 3, and 5.

David Nice, [Public Budgeting](#), (New York: Wadsworth, 2002), Ch. 4

- Exercise #2: [Golden Years Retirement Center](#)

Case: [Performance and Cost Issues in the Fireside Forensic Lab](#)

Exercise #3: [Cost Analysis for Home Caregivers](#)

4. Budget Review and Approval

Reading:

Rubin, Ch. 5

Nice, Ch. 6.

To review the Senate and House Appropriations Committees see the following web sites:

<http://www.senate.gov/~appropriations/>

<http://www.house.gov/appropriations/>

5. Budget Execution

Readings:

Rubin, Ch. 6. and Ch. 7.

Nice, Ch. 7.

MIDTERM

6. Accounting and Financial Management

Reading:

Text, Ch. 6

Norvelle, Joan: Introduction to Fund Accounting. (Tucson: Thoth Publishing, 1994), Ch. 1 and Ch. 2

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Case: Orange County Financial Crisis

International City Managers Association (ICMA):

<http://www.icma.org/publications/index.htm>

7. Revenue evaluation and forecasting

Reading:

Nice, Ch. 5

Rubin, Ch. 2

8. Property taxes

Reading:

Mikesell, Ch. 10.

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Exercise #4: [Property tax evaluation](#)

9. Taxes (Sales and Income)/Lotteries

Reading:

Ronald Fisher. 1996. State and Local Public Finance. (Chicago: Irwin), chapter 15.

"For Safety, Raise the Price of Beer?"

Mikesell, Ch.9

Charles Clotfelter and Philip Cook. 1990. "On the Economics of State Lotteries." Journal of Economic Perspectives. 4 (Fall): 105-119.

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Cases: "Letting Smokers Pay for Child Care"

Exercise #5: [Sales tax evaluation](#)

Cases: "The Georgia State Lottery"

Exercise #6: [Income Tax](#)

FINAL EXAMINATION