

Dr. Genie Stowers
email: gstowers@sfsu.edu
Off Hr.: T 5 to 7 and Th 3 to 4

W: 415-338-7501
Office: HSS 238

PA 730: Public/Nonprofit Budgeting
Course Syllabus, Spring 2007—Thursday Nights

COURSE OBJECTIVES

1. To acquaint students with the broader, theoretical context within which all budgeting processes operate.
2. To introduce students to trends in budgeting over time—the beginnings of budgeting and the various reform movements and political events that have taken place.
3. To increase the student's knowledge of federal economic, fiscal, and budgeting processes and the trends in state, local, and non-profit budgeting.
4. To develop skills in budget preparation, analysis, presentation, and execution.
5. To ensure that students develop an awareness of various political strategies and the pros and cons of utilizing them in various contexts.
6. To help raise students' awareness of the ethical questions and issues raised in the practice of budgeting and financial management—as well as means through which these issues can be resolved.
7. To develop student skills in using spreadsheets and graphics applications, particularly those useful in budget development and analysis.

REQUIRED COURSE MATERIALS

Dropkin, Murray and LaTouche, Bill. 1998. The Budget-Building Book for Nonprofits : A Step-by-Step Guide for Managers and Boards San Francisco: Jossey-Bass. (DL)

Lee, Robert D., Jr.; Johnson, Ronald W.; and Joyce, Philip G. 2004. Public Budgeting Systems (7th Edition) Boston: Jones and Bartlett Publishers. (LJJ)

Simon, Jinjer. 2003. Excel Data Analysis (2nd Edition) Wiley Publishing. (Excel)

Stowers, Genie N.L. 2006. Budget Exercise Workbook. Reader from Rapid Copy Available at SFSU Franciscan Shop. (WB)

Tufte, Edward R. 2003. The Cognitive Style of PowerPoint Cheshire, Connecticut: Graphics Press. (T)

Case C16-91-1090.0: Implementing Budget Reform in the Boston School Department. Kennedy School of Government CaseWeb, Harvard University Students order directly online from <http://www.ksgcase.harvard.edu/>. (Case)

This course now assumes that all students have at least a basic understanding of Excel and possess basic Excel skills. Students who do not will need to work to develop those skills at the beginning of the course. Recommended for this purpose is Optional but Recommended if Not Fluent in Excel: Frye, Curtis. 2001. Microsoft Excel Version 2002 Step by Step. Microsoft Press; Book and CD-ROM edition (June 6, 2001) (Frye)

COURSE OUTLINE

Introduction To Public and Nonprofit Budgeting

1/25 Introduction to Course.
Definitions.
The Importance of Public Goods
Budgeting Theory- Incrementalism and Roles.
Ethical Context of Public & Nonprofit Budgeting.
Set up groups for Exercise 1.
Excel Pre-Test
READING: LJJ, Ch. 1.
DL, Ch. 1.
LAB: Excel Pre-Test.

History and Political / Policy Context of Budgeting

2/ 8 BRING DISKETTES for PCs and Workbook TO CLASS!
History of Budgeting, Particularly Federal Budgeting.
Introduction to Federal Budgeting.
READING: LJJ, Ch. 2, 3, 9 (pp.257 – 268).
Excel, Ch. 1, 2
LAB: Excel 1: Building A Working Budget Spreadsheet.

Budgeting as a Policy-Making Tool

2/15 Project # 1 (Case Analysis) Due Tonight.
Case Discussion: Implementing Budget Reform in the Boston School Department Budgeting Processes.
Recent Federal Budgeting Issues.
The History and Importance of the Federal Deficit
READING: LJJ, Ch. 9 (pp. 268 – 291).
Implementing Budget Reform Case
LAB: Excel 2: Building Bigger and Better Spreadsheets.

2/22 Excel Exercise #1 Due Tonight.
The History and Importance of the Federal Deficit, Continued.
Economic Policy-Making.
Revenue Sources and Federal Revenues.
READING: LJJ, Ch. 15.
Excel, Ch. 3.
California Budget Project, "What Would the Emerging House Budget Package Mean for California?", November 2005,
http://www.cbp.org/2005/0511_housebudget_ca.pdf
Legislative Analyst's Office, "Fiscal Effect on California: Pending Federal Deficit Reduction Act of 2005
http://www.lao.ca.gov/2006/deficit_reduction/deficit_reduction_012006.html
California Budget Project, "Who Pays Taxes in California?"
http://www.cbp.org/2006/0604_pp_whopaystaxes.pdf
LAB: Budgeting Formats- The Line Item, Program, Performance, Zero Based, and Other Budget Formats.

3/ 1 Excel Exercise #2 Due Tonight.
State/Local Budgeting Processes.
California Budgeting and California Deficit.

California Revenue Sources.

READING: LJJ, Ch. 8, 14.

Excel, Ch. 4.

California Finance Department, "Governor's Budget 2007-2008",

Available at

<http://www.ebudget.ca.gov/BudgetSummary/GOV/1249556.html> ,

<http://www.ebudget.ca.gov/BudgetSummary/SUM/1249561.html>

<http://www.ebudget.ca.gov/BudgetSummary/REV/1249563.html> ,

and 3 of the areas under

<http://www.ebudget.ca.gov/BudgetSummary/MPA/MPA.html>

Legislative Analyst's Office, 2007-2008: Overview of the Governor's Budget,

[http://www.lao.ca.gov/2007/budget_overview/07-](http://www.lao.ca.gov/2007/budget_overview/07-08_budget_ov.htm)

[08_budget_ov.htm](http://www.lao.ca.gov/2007/budget_overview/07-08_budget_ov.htm)

California Budget Project, "School Finance in California and the Proposition 98 Guarantee" April 2005,

http://www.cbp.org/2006/0604_prop98.pdf

LAB: Excel 4: Analyzing Budget Data Using Spreadsheets, What-If Analysis

3/ 8 Excel Exercise #3 Due Tonight.

Non-Profit Budget Processes.

READING: DL, Chs. 2 – 6.

Excel, Ch. 5.

Workbook, Sections 2 and 3.

LAB: Excel 3: Building Even Bigger and Better Spreadsheets, What-If Analysis.

Budgeting as a Management Tool

3/15 Project 2 (Group Project) Due by 6 pm

Developing Budgets within the Strategic Planning Process.

Performance Measures.

The Politics of Budgeting.

Cutback Management.

Budget Justifications.

READING: LJJ, Ch. 13.

DL, Chs. 7 – 14.

Excel, Ch. 6.

LAB: Excel 5: Working with Others on Spreadsheets

3/22 Excel Exercise #4 Due Tonight.

Nonprofit Cost Center Budgets.

Budget Execution and Implementation.

READING: LJJ, Ch. 10.

DL, Chs. 15 – 21.

Workbook, Section 4.

LAB: Excel 6: Doing Revenue Projections With EXCEL

3/29 Excel Exercise #5 Due Tonight.

Introduction to Governmental/Non-Profit (Fund) Accounting.

READING: LJJ, Ch. 11.

Excel, Ch. 7.

LAB: Excel 7: Creating and Using Charts

- 4/ 5 Excel Exercise #6 Due Tonight.
 Governmental (Fund) Accounting, Continued.
 Governmental and Non-Profit Auditing.
 Introduction to Financial Statements.
 READING: Workbook, Section 5.
 Tufte, all.
 LAB: PowerPoint 1: Budget Presentations- Advanced PowerPoint
- 4/12 Spring Break
- 4/19 Excel Exercise #7 Due Tonight.
 Reading Financial Statements.
 LAB: Excel 8: Using Pivot Tables to Analyze Budget-Related Data
- 4/26 PowerPoint Critique Due Tonight.
 Reading Financial Statements.
- 5/3 Excel Exercise #8 Due Tonight.
 Reading Financial Statements.
- 5/10 Capital Budgeting and Debt Administration.
 Cost-Benefit Analysis and the Time Value of Money.
 READING: LJJ, Ch.12, 7.
 Excel, Ch. 9.
 California Budget Project, "Primer on Bonds"
http://www.cbp.org/2006/060221_bondprimer.pdf
- 5/17 Budget Presentations (assigned randomly)
Final Budget Projects Due by 6:10 pm.—No EXCEPTIONS!
- 5/24 Project #3 Due Tonight.
 Budget Presentations (assigned randomly)

COURSE POLICIES

- University regulations specify that 2-3 hours of work out of class for every hour in class.
- No incompletes will be granted in this class. The format that works best for this class makes it difficult to grant incompletes.
- All assignments must be turned in on time (no later than 10 pm on due date). Points will be deducted for any and all exceptions. Students are responsible for ensuring that an assignment has been submitted directly to the instructor.
- No assignments may be submitted via email, only hard copy will be accepted.
- No work will be accepted after 10 pm on May 25th.
- Class attendance is critical. Any absences in excess of 2 will result in 5 points deducted from final project grade per each occurrence.
- Cell phones must be turned off during class.

COURSE REQUIREMENTS (See Workbook for Details)

- **Projects:** **30%**
 - Project 1: Case Discussion and Analysis. (Due 2/15)
 - Project 2: Budget Format & Analysis – Group Project. (Due 3/15)
 - Project 3: Analysis of Financial Statements (Due 5/24)
- **Budget Analysis and Spreadsheet Exercises:** **30%**
 1. Excel 1: Building Budget Spreadsheets (3.33%)—Due 2/22
 2. Excel 2: Building Bigger and Better Spreadsheets (3.33%)—Due 3/1
 3. Excel 3: Budget Analysis: Share, Trend, Variance Analysis—(3.33) Due 3/8
 4. Excel 4: Budget Analysis: What-If Analysis. (3.33%)—Due 3/22
 5. Excel 5: Working with Others on Spreadsheets (3.33%)—Due 3/29
 6. Excel 6: Revenue Projection using Excel. (3.33%)—Due 4/5
 7. Excel 7: Creating and Using Charts (3.33%)—Due 4/19
 8. Excel 8: Doing Analysis with Pivot Tables (3.33%)—Due 5/3
 9. PowerPoint Exercise 1: PowerPoint Critique (3.33%)—Due 4/26
- **Budget Development Project (Spreadsheet, Text & Analysis) (Due 5/17) 40%**
Must Include Budget Analysis, Estimation, Development, Recommendations, Supporting Justifications and Analysis, and Graphics (with any other supporting materials) (See Workbook for details)

Academic Misconduct. Cheating and plagiarism are contrary to the mission of the university and are never tolerated. Students who display inappropriate conduct, including cheating and plagiarism, may be subject to disciplinary action as provided in Title 5, California Code of Regulations. Any student may be expelled, suspended, placed on probation, or given a lesser sanction for discipline problems. The Student Discipline Officer, housed in the Dean of Students Office, is responsible for administering the Student Disciplinary Procedures for the California State University and should be contacted for further information.