

American University, School of Public Affairs  
Department of Public Administration and Policy

PUAD 633: Budgeting and Financial Management, Spring Semester 2014  
Class Meets: Monday, 5:30 pm – 8:00 pm, Ward 305

**Instructor:** Thad Juszczak

**Contact information:**

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**Office Hours:** Available at the Ward Circle Building Monday afternoon before or after class by appointment. Also available at other times and locations by appointment.

**University Course Description**

Public sector budgeting and budgetary processes, including budget execution and control; cost estimation; capital financing and debt management; performance budgeting; cost-benefit analysis; basic government accounting; and financial statements.

**Instructor's Course Description and Overview**

Using class discussions, a variety of readings on current events, and related research, this course will help you understand:

- Why governmental budgeting is important.
- The federal budget processes for both the Executive and Legislative branches.
- The role of The Federal Budget in national economic policy.
- How governments use taxes and other means to acquire resources and the many ways they dispense these resources.
- The relationship between budgeting and financial management.
- The relationship between budgeting, public policy, and politics.
- That all aspects of public management have fiscal consequences.
- Different processes at the enterprise level (entire nation or entire state), agency level, and program level.

The primary focus of this course will be on the federal government, but we will pull in state and local information as appropriate as well as not-for-profit.

**Student Learning Objectives**

By the end of the semester, students will be able to:

- Analyze technical budget articles and explain budgeting concepts in plain English.
- Define various types of government revenue and spending and the factors driving that revenue and spending.
- Identify various aspects of executive and legislative budget processes.
- Compare and contrast government deficits and federal and state debt.

- Critically examine political budget proposals and determine the probable financial impact.

**Required Textbooks:** None. From time to time, the Instructor will post articles and/or references on Blackboard. Also, at Appendix A is a list of textbooks commonly used in graduate level budgeting courses. Having access to some of these for your research will be a distinct benefit for you. At Appendix B is a list of some websites that will be useful for your research and understanding of current events. You should identify additional websites on your own.

**File type and protocols:** For any documents that the student submits, please use Microsoft Word and this file protocol: last name [space] document name (e.g., current events) [space] date due (month-day, e.g., 1-28). So: "Smith current events 1-28" Please consecutively number pages in your documents at the bottom center. Please ensure that your name and the due date is always on at least the first page of any document you turn in.

This syllabus is a **work in progress**. The Instructor will input new reading assignments over time. The Instructor will also adjust it as necessary based on student input, weather, exciting new events, etc.

## I. Course Requirements

1. Class Participation and Current Events Research.
  - **Class Participation.** Most of the class will be interactive discussions of budget and financial management issues, readings, and sharing your personal experiences. You will achieve learning through the assigned readings and the subsequent discussions in class, so it is essential that you read the assigned materials. It will be **basically impossible for you to participate** if you do not actually read the assigned readings. The Instructor may also use quizzes to ascertain your comprehension and understanding of the assigned materials. Class **attendance** and **participation** are critical to your final grade.
  - **Current Events.** Prior to each class, students will identify a current event relevant to budgeting from websites and/or major newspapers and prepare a paper (1.5 to 2 pages, 1.5 line spacing, Arial 12 point) which references the primary source of the current event as well as other research and your personal **critical analysis** of the underlying concepts. This is not a book report. Students will post this paper to Blackboard NLT midnight ET, Saturday before the class. The Instructor may select a few students to present their paper orally during class. The Instructor may or may not give you advance notice of your presentation. The Instructor especially encourages current events related to topics the class has recently covered or is planning to cover per this syllabus, but you can also select topics of personal interest, as long as they are relevant to **budgeting**. Detailed information is at Appendix C

- **Quizzes.** The Instructor will use unannounced quizzes to augment student demonstration of understanding.

## 2. Research Project and Presentation

- **Topic.** Students will identify a potential research project topic to the Instructor, NLT 9 Feb 14. Upon approval of the topic by the Instructor, students will prepare a one page outline of the paper, due to the Instructor NLT seven calendar days after approval or 15 Feb, whichever comes first. Detailed information is at Appendix D.
- **Paper.** Students will ensure that final papers are 10-14 pages (1.5 line spacing, Arial 12), include a one page executive summary, and are posted to Blackboard NLT midnight, 6 Apr 14.
- **Presentation.** Students may be required to make a very brief presentation of their papers during class, as notified by the Instructor.

## 3. Examinations

- Students will demonstrate their grasp of all of the items in the class readings as expanded through class discussions and research in a comprehensive final examination. The **final examination** will include primarily essay answer questions (NTE 150 words), but may include multiple-choice, fill-in-the-blank, and brief answers (1-2 sentences).

## II. Evaluation and Grading

### ➤ **Evaluation:**

- 40%: Class participation, quizzes, and current events research. (Active participation in class discussions (because you have read the assigned readings) and well-written weekly current event papers are key.)
- 25%: Individual research project and presentation
- 35%: Final examination

### ➤ **Grading Scale**

- A Clear mastery of concepts as well as written and discussion materials. Offers new insights.
- A- Strong command of concepts and materials.
- B+ Solid understanding of essential concepts and materials.
- B Basic understanding of essential concepts and materials.
- B- Minor problems with the basic understanding of essential concepts and materials.
- C Varying deficiencies in ability to explain basic concepts.
- F Little or no evidence of understanding of basic concepts and materials.

My use of Blackboard's 10 point scale for grading:

A	10
A-	9

B+	7
B	6
B-	5
C	3
F	1

- **Late Assignments:** Late assignments will not be accepted. Please notify the instructor as soon as you know a problem to make special arrangements. The Instructor will make every effort to accommodate your special needs.

### III. Writing Standards

This is not a writing course. However, poor writing diminishes your grade because it interferes with the Instructor's ability to understand what you are trying to say. Good writing will always augment your grade by making clear what you understand. Here are some simple rules that will help you and the Instructor:

1. Never use passive voice.
2. Never use long sentences.
3. Always use serial commas.
4. Always be linear in your thinking.
5. Always have the first paragraph of a paper explain what is in the paper.
6. Always have the first sentence of each paragraph explain what is in the paragraph.

### IV. Student Electronics in the Classroom

Many students use electronics to assist their learning, for example inputting their class notes right into laptops or tablets as the instructor speaks or the students discuss. Some students need to be continuously available by phone for personal reasons. I have no problem with the use of electronics in the classroom as long as they do not distract other students or me. Therefore, please keep your charging cords from inconveniencing other students, keep your devices on mute/vibrate only, and do not visit websites during class whose content might distract other students.

### V. Course Difficulties

If you experience difficulty in this course for any reason, please do not hesitate to consult the Instructor. In addition to the resources of the department, a wide range of services are available at the University to support you in your efforts to be successful in this course.

**Academic Support Center** (202.885.3360, MGC 243, [www.american.edu/ocl/asc](http://www.american.edu/ocl/asc)) offers study skills materials and workshops, individual academic assistance, tutor referrals, and services for students with learning disabilities and ADHD. Writing support is available in the Academic Support Center (ASC) Writing Lab or in the Writing Center, Battelle-Tompkins 228.885. 2991.

**Counseling Center** (202.885.3500, MGC 214, [www.american.edu/ocl/counseling](http://www.american.edu/ocl/counseling)) offers counseling and consultations regarding personal concerns, self-help information, and connections to off-campus mental health resources.

**Disability Support Services** (202.885.3315, MGC 206, [dss@american.edu](mailto:dss@american.edu), [www.american.edu/ocl/dss](http://www.american.edu/ocl/dss)) offers technical and practical support and assistance with accommodations for students with physical, medical, or psychological disabilities. If you have a disability and might require accommodations in this course, please notify the Instructor via Disability Support Services (DSS) or the Academic Support Center (ASC) early in the semester so that I can make arrangements to address your needs.

## VI. Academic Integrity

Standards of academic conduct are set forth in the University's Academic Integrity Code, <http://www.american.edu/academics/integrity/code01.htm>. Students will complete all assignments in this course according to the standards set forth in this code.

**All work must be entirely your own. When you quote from others' work, you must give full credit by footnote or endnote. Failure to use quotation marks when quoting, failure to give full credit when paraphrasing, use of others' ideas or work products, submission of work prepared through impermissible collaboration, and also submission of work prepared by you for another class are all examples of violations of the academic integrity code and will result in sanctions.**

By registering in this class, you have acknowledged your awareness of the Academic Integrity Code, and you are obliged to become familiar with your rights and responsibilities as defined by the Code. The Instructor will not treat lightly violations of the Academic Integrity Code, and there will be consequences should such violations occur. Please see the Instructor if you have any questions about the academic violations described in the Code in general or as they relate to particular requirements for this course. Your failure to comply with the requirements of the Academic Integrity Code can result in failure in the course, as well as more serious academic sanctions.

In order to prevent plagiarism in students' written work, American University encourages faculty to use **Turnitin**, an online system for detecting plagiarism. The University suggests that the Instructor can either require students to submit their work through **Turnitin**, or students can submit their papers directly to the Instructor who can evaluate them for plagiarism using their own **Turnitin** account. If the Instructor identifies any instances of plagiarism, he will notify the Program Directors who will help to determine how students' assignment and/or final grades (as well as their standing in the program) will be affected.

## VII. When It Snows and Other Hazards

Always check email before leaving for class. On class night, if the weather might keep the Instructor from getting there, or he has any other problem, or if the campus closes, I will notify you via email, and we will conduct class via Blackboard or other technologies.

## VIII. Instructor Statement

I want to share my knowledge and experiences about budgeting and financial management with the students. I believe the knowledge that students gain from this class will be invaluable to them in their future endeavors in the public or not-for-profit sectors. It will also be useful for them as citizens. I would like to give every student an A, but I can only do that if they earn it.

I want to create an environment where you can take acceptable risks, where all reasonable points of view (and maybe a few unreasonable ones) are acceptable. None of us learns from people who only echo our own points of view, and I want to learn. I hope you do, too.

As befits a premiere institution of higher learning, American University has high standards and so do I. The basic requirement for this class is **critical thinking**. Every week the student will need to spend an hour or two of thoughtful reading, researching, and writing a two-page paper. Over the course of the semester, the student will need to research and independently write a 10-14 page paper worthy of graduate students at a premiere institution of higher learning. Every week, the student will need to read the assigned readings, attend class, and actively participate in class discussions. Students will need to demonstrate their learning in the final exam. If students will do this, they will easily earn an A for the course.

## Course Schedule

<b>Class Date</b>	<b>Topics</b>	<b>Reading Assignment</b>
13 January	<b>Introductions</b> <b>Expectations:</b> Instructor's - Students' <b>Syllabus Review</b> <b>Course Requirements:</b> Current Events - Research Project – Exam(s) <b>University Requirements</b> <b>Other:</b> Textbooks (none required) – Websites - Assumptions <b>What is Budgeting? - Budget Terms</b>	- Review syllabus - Browse websites
20 January	<b>Martin Luther King, Jr. Day</b> No class	
27 January	<b>Mandatory vs. Discretionary Spending.</b> <b>Federal Debt and Debt Limit.</b> Current Events Research paper topic due to Instructor 29 Jan	Red Ink Rising (Blackboard) What Really Caused the Deficit (Blackboard) GAO Glossary (Blackboard) – check definitions for mandatory and discretionary <i>Fiscal Administration</i> , Mikesell, pps 575-599 (e-reserves) <a href="http://www.savingsbonds.gov/NP/BPDLLogin?application=np">http://www.savingsbonds.gov/NP/BPDLLogin?application=np</a>  <a href="http://www.gao.gov/special.pubs/longterm/debt/index.html">http://www.gao.gov/special.pubs/longterm/debt/index.html</a>  <a href="http://www.concordcoalition.org/issue-briefs/2011/0708/understanding-federal-debt-limit">http://www.concordcoalition.org/issue-briefs/2011/0708/understanding-federal-debt-limit</a>  <a href="http://www.ourdime.us/22/budgetinfo/need-a-full-list-of-mandatory-programs/">http://www.ourdime.us/22/budgetinfo/need-a-full-list-of-mandatory-programs/</a>
3 February	<b>Strategic Planning. Budget and Performance Integration. GPRA. GPRAMA.</b> Current Events	<i>Quattro Punti</i> (Blackboard) <i>Fiscal Administration</i> , Mikesell, pps 31-55, 201-231 (e-reserves) GPRA <a href="http://www.whitehouse.gov/omb/mgmt-gpra/gplaw2m">http://www.whitehouse.gov/omb/mgmt-gpra/gplaw2m</a>

		<p>GPRAMA  <a href="http://www.gpo.gov/fdsys/pkg/BILLS-111hr2142enr/pdf/BILLS-111hr2142enr.pdf">http://www.gpo.gov/fdsys/pkg/BILLS-111hr2142enr/pdf/BILLS-111hr2142enr.pdf</a></p> <p><a href="http://www.cairf.org/research/bpst_rategic.pdf">http://www.cairf.org/research/bpst_rategic.pdf</a></p>
10 February	<p><b>Executive Budget Process. Federal agency budgets</b>  Current Events</p>	<p>GAO-05-734SP, pp 102-106, 117</p> <p><i>Fiscal Administration</i>, Mikesell, pps 79-131, 141-166. (e-reserves)</p> <p>One agency Congressional Budget Justification</p>
17 February	<p><b>Legislative Budget Process. Appropriations Process.</b>  Current Events</p>	<p>GAO-05-734SP, pp 106-111, 118-119</p> <p><a href="http://digital.library.unt.edu/ark:/67531/metadc31309/m1/1/high_res_d/97-684_2010Dec02.pdf">http://digital.library.unt.edu/ark:/67531/metadc31309/m1/1/high_res_d/97-684_2010Dec02.pdf</a></p> <p><a href="http://digital.library.unt.edu/ark:/67531/metacrs7097/m1/1/high_res_d/98-721_2004Dec28.pdf">http://digital.library.unt.edu/ark:/67531/metacrs7097/m1/1/high_res_d/98-721_2004Dec28.pdf</a></p>
24 February	<p><b>OMB &amp; The President's Budget Documents</b>  Current Events</p>	<p>The President's Budget (budget.gov)  - President's Message  - The Budget  - Analytical Perspectives  - Appendix</p>
3 March	<p><b>Continuation of the President's Budget</b>  Current events</p>	
10 March	<p><b>Spring Break</b>  No class</p>	
17 March	<p><b>Congressional Budget Office (CBO)</b>  <b>Maintaining the Baseline</b>  <b>Estimating cost and revenue</b>  <b>Scoring revenue and spending bills</b>  <b>Economic Projections</b>  <b>Long term financial status</b>  Current events</p>	<p>- "How the CBO Earned its Clout" Blackboard</p> <p>- CBO Budget Outlook, 2013-2023 Blackboard</p> <p>- CBO cost estimates  <a href="http://cbo.gov/sites/default/files/cbofiles/attachments/hr225.pdf">http://cbo.gov/sites/default/files/cbofiles/attachments/hr225.pdf</a></p> <p><a href="http://cbo.gov/sites/default/files/cbofiles/attachments/s2241.pdf">http://cbo.gov/sites/default/files/cbofiles/attachments/s2241.pdf</a></p>



24 March	<b>Revenues. Balanced Budgets</b> Current events	e-reserves: <i>Fiscal Administration</i> , Mikesell, pps 2921-324 Schick chap 6 Rubin chap 2  Blackboard - SOI: Individual Income Tax and Tables 1 and 2. -State Balanced Budget
31 March	<b>Tax Expenditures, Balanced Budgets. Unfunded Mandates. Trust Funds</b> Current events	<a href="http://subsidyscope.org/tax_expenditures/summary/">http://subsidyscope.org/tax_expenditures/summary/</a>  <a href="http://www.wisegeek.com/what-is-an-unfunded-mandate.htm">http://www.wisegeek.com/what-is-an-unfunded-mandate.htm</a>  <u>Blackboard</u> -CBO Unfunded mandates -Tax Expenditures -Highest Tax Expenditures -JCT Tax Expenditures
7 April	<b>Capital Budgeting; Writing and Reviewing Budget Justifications</b> Current Events Research Paper Presentations	<i>Fiscal Administration</i> , Mikesell, pps 244-279 (e-reserves)
14 April	<b>President's FY 2015 Budget</b> Current Events Research Paper Presentations	<a href="http://www.budget.gov">www.budget.gov</a> once the FY 2015 budget is posted
21 April	<b>Budget Execution; Alignment of Budgeting, Politics, and Public Policy.</b> Current Events Research Paper Presentations	GAO glossary (already in Blackboard) pps 111-114; 120- 123. e-reserves: Rubin – The Politics of Public Budgeting
28 April	<b>Review</b> Research Paper Presentations	
5 May	<b>Final Exam</b>	Take Home

## Appendix A Selected Textbooks for Reference

- Bland, Robert & Rubin, Irene – Budgeting: A Guide for Local Governments
- Bland, Robert & Rubin, Irene – Management Politics in Local Government Finance
- Caiden, Naomi & Wildavsky, Aaron – Planning and Budgeting in Poor Countries
- Collender, Stan – Guide to the Federal Budget Process
- GAO – Glossary of Terms Used in the Federal Budget Process, 2005
- Hatry, Harry – Performance Measurement: Getting Results, Urban Institute, 2007
- Keith, Robert – Introduction to the Federal Budget Process, 2008
- Lee, Robert et al – Public Budgeting Systems, 8<sup>th</sup> Edition
- Meyers, Roy – Handbook for Governmental Budgeting, Jossey-Bass, 1999
- Mikesell, John – Fiscal Administration, Thomson-Wadsworth, 7<sup>th</sup> Edition, 2007
- Rivlin, Alice – Restoring Fiscal Sanity, Brookings, 2005
- Rubin, Irene – The Politics of the Budget Process
- Schick, Allen - The Federal Budget: Politics, Policy, and Process, Brookings, 3<sup>rd</sup> Edition, 2007.
- Thurmaier, Kurt & Willoughby, Katherine – Policy and Politics in State Budgeting

## Appendix B Selected Websites

American Association for Budget and Program Analysis <http://www.aabpa.org>

Association for Budgeting and Financial Management <http://www.abfm.org/>

Capital Gains and Games – Collender  
<http://www.capitalgainsandgames.com/collender>

Center on Budget and Policy Priorities <http://www.cbpp.org/>

Committee for a Responsible Federal Budget <http://crfb.org/>

Concord Coalition <http://www.concordcoalition.org/>

Congressional Budget Office [www.cbo.gov](http://www.cbo.gov)

Congressional Research Service (CRS) Documents  
UNT Digital Library <http://digital.library.unt.edu/explore/collections/CRSR/>  
Open CRS <http://opencrs.com/>

Federal Budget & OMB [www.budget.gov](http://www.budget.gov)

Governing <http://governing.com/>

Government Executive <http://www.govexec.com/>

Government Finance Officers Association <http://www.gfoa.org/>

House Appropriations Committee <http://appropriations.house.gov/>

House Budget Committee <http://budget.house.gov/>

International City/County Management Association <http://icma.org/en/icma/home>

National Association of State Budget Officers <http://nasbo.org/>

National Journal [www.nationaljournal.com](http://www.nationaljournal.com)

Peterson-Pew Commission on Budget Reform <http://budgetreform.org/>

Politico <http://www.politico.com/>

Public Budgeting and Finance  
[http://onlinelibrary.wiley.com/journal/10.1111/\(ISSN\)1540-5850](http://onlinelibrary.wiley.com/journal/10.1111/(ISSN)1540-5850)

Senate Appropriations Committee <http://www.appropriations.senate.gov/>

Senate Budget Committee <http://www.budget.senate.gov/>

Stateline <http://www.stateline.org/live/>

The Fiscal Times <http://www.thefiscaltimes.com/>

The Public Manager <http://www.thepublicmanager.org/index.aspx>

THOMAS <http://thomas.loc.gov/home/thomas.php>

Washington Post Politics <http://www.washingtonpost.com/politics>

## Appendix C Current Events

Identify and read a current article from websites or other media sources concerning a budget issue relevant to the course syllabus. Instructor encourages articles relevant to subjects we have just discussed or will be discussing shortly or articles relevant to your selected research topic. Try to differentiate between budgeting and economics. Budgeting is about revenues, spending, and the resulting deficit and debt. After reading, use the concepts discussed in the article to do some critical thinking about those concepts. Do not write a book report on the article. Do not say, "As the article says..."

### **FORMAT**

1. 1.5 - 2 pages, 1.5 line spacing, Arial 12 point
2. Provide URL to source article or attach PDF or other copy of article

### **CONTENT**

1. **Current Events:** Heading with your name, e.g., Current Events, Mary Smith
2. **Date of class for which the paper was written:** e.g., Monday, 10 Feb
3. **Title:** of the article
4. **URL or PDF:** NY Times articles may need to be PDF
5. **Your critical analysis of the concepts discussed in the article:**
  - a. List the assumptions
  - b. List the facts
  - c. State the argument
  - d. What is the logical conclusion

### **SUBMISSION AND PRESENTATION**

1. Post your paper to Blackboard NLT midnight ET, Saturday prior to class.
2. Be prepared to make a brief oral presentation to the class and answer questions. (Instructor will ask some students to do presentations each week, sometimes with advance notice and sometimes without.)

## Appendix D Research Project and Presentation

**Instructor Approval:** Identify via email a potential research project topic to the Instructor NLT 9 Feb 14. After Instructor approval of the topic, prepare and submit to the Instructor a one page outline of the research project topic NLT seven calendar days after Instructor approval of the topic or 15 Feb 14, whichever comes first.

### **Required Elements of the Paper**

**Topic/Issue:** What exactly are you going to research? What do you expect to find?

**Significance and Context:** Why is this topic significant? Why are you interested in it? What else do we need to know to understand the issue?

**Research Resources:** What resources did you use on your project? Where did you find them?

**Observations/Findings/Critical Factors:** What are the facts? Out of all the facts, which are the most important or relevant to your project?

**Your Understanding and Recommendations:** Given everything above, what do you conclude and what would you recommend to an appropriate decision-maker?

**Paper:** 10-14 pages, 1.5 line spacing, Arial 12, including an executive summary NTE one page. (The executive summary is not an introduction; it is a summary of the entire paper.) Students will use endnotes and a bibliography of all sources used in the research, which do not count against the page total. Instructor encourages the use of graphs and charts to further enhance your papers; these do not count against the page total either. Students will post papers to Blackboard NLT 6 Apr 14.

**Presentation:** Students may be asked to present their papers in 3 minutes during class time. The key will be to briefly demonstrate a good understanding of the issues. The Instructor will notify you a few days prior to your presentation date.

**Grade:** Grading will be based on the quality of the written materials, effective use of charts and graphs, demonstrated understanding of all issues involved, and quality of the student observations, analysis, and recommendations. (Instructor will ask himself: "Could the student easily turn this into an article that would be accepted for publication in some website or journal?") This is not a public speaking class, but you can improve your grade based on the class presentation and how you respond to questions from your classmates and the Instructor.