

PUBA 608: PUBLIC BUDGETING

Spring 2017

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631 Saunders Hall

Office Hours: Wed. 4:00--5:30 and Thur. 4--5:30

Class times on Wednesday and Thursday 6:00 to 8:30 PM

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Syllabus

Public Administration Program Mission

The mission of the Public Administration Program is to equip those with public and community responsibilities in Hawaii, the mainland, and the Asia-Pacific region with knowledge and skills to adapt to changing public service environments and to work collaboratively to solve problems.

Program Learning Outcomes (PLO) Advanced by the Course

PLO #4: Prepare and analyze budgets in a public context in order to evaluate organizational effectiveness and assist decision making.

PLO#8: Consistently apply critical thinking to a public issue (e.g., policy, ethics, HRM, etc.) in order to decide what, if any, action to take.

Course Purpose and Scope

The purpose of this course is to give you the essential knowledge of public budgeting including how to build a budget, defend a budget, and maintain its integrity during the current year such that the policy of the government or nonprofit are correctly accomplished. The scope of this course is government at all levels in the United States as well as nonprofit organizations.

Student Learning Objectives

1. Be able to not only develop a budget for a public agency or non-profit organization but also put in place the necessary policies and procedures needed to prepare a performance public budget.
2. Be able to recognize, know, and use professional language and technical terms in the practice of public budgeting.
3. Be able to identify current budget public budgeting policy debates and capable of identifying the issues on both side of those issues.
4. Be able to read budgeting and related financial information to the extent of being able to identify policy and management issues not easily understood by a lay reader of budgets.

5. Be able to conduct research, analysis, and prepare reports important in the budgeting function of public agencies and nonprofit organizations.
6. Be able to identify the ethical and professional responsibilities associated with public budgeting in the context of a democracy.

Required Reading

Lynch, Thomas D. and Jinping Sun, and Robert W. Smith. *Public Budgeting in America*. Sixth Edition, 2017. Irving, California; Melvin and Leigh. This book should be available in the college book store or directly from the publisher at orders.melvinleigh@cox.net. This is a new edition and if it is not ready in time, the fifth edition can be ordered from Pearson Publishing.

Additional Optional Readings

If you are interested in acquiring additional information on any topic, please notice the references presented at the end of each chapter. If you are interested in other publications on public budgeting by Professor Lynch, please acquire *Budget Theory: Policy and Public Financial Management* by Jinping Sun and Cynthia E. Lynch, 2013, Ronkonkoma, N.Y.; Linus Publishing.

Relevant Online Documents

City and County of Honolulu, FY 2017 Budget
State of Hawaii, Executive Supplemental Budget, Fiscal Year 2017.
State of Hawaii, Executive Biennium Budget, Fiscal Year 2015—2017.
State of Hawaii Constitution, Article VII
Hawaii Revised Statutes, Chapter 37
State of Hawaii Council on Revenues
U.S. Federal Budget, FY 2016

Class Speakers

Your instructor will attempt to bring one or more professionals in public organizations to speak to the class. As the class develops, more information on outside speakers will be posted.

Professional Attendance by Your Lecturer

Professor Lynch will attend and present a paper at the Atlanta national Public Administration Conference in March and attend and present a paper at an international conference in Darwin, Australia, in April. For the March 15 and 16 classes, Professor Lynch will schedule a guest speaker. For April 19 and 20, the class will take an exam and the questions for the exam will come from an announced list of possible questions that will be given out on March 8 and 9. When the professor is traveling, please contact him via telephone text and be aware of the time difference from Hawaii.

Required Class Policies and Assigned Work

1. Class attendance
 - a. Each class member taking the class for credit is expected to attend class AND make a posting on the Lulima discussion section regarding the reading assignment for the NEXT face to face class. Comments maybe

questions of clarification and information relevant to the class found in newspapers or other periodicals. Students are encouraged to also make comments on the comments of their class mates. Your participations will be graded.

2. Posted Materials

- a. I will occasionally post material and monitor the postings. Postings will be graded.
- b. I may participate in the discussions and posting if I feel that I can clarify misunderstandings.
- c. See the Rubric Used for Scoring Discussion Board Posts and Replies.

3. Missed Classes

- a. You are engaged in professional education and many of you have professional expectations that require you to miss classes. You are allowed to miss up to three classes but for the classes missed you must make-up the class with substantial posting in the week of your absence. Missing more than three classes will significantly lower your final grade in the class. I do award failing grades for those that earn them.

4. Computer in Class

- a. Do bring a lap top computer or tablet to class that has a spreadsheet program.
- b. We will do exercises in class that require you to do computations.

5. Exam

- a. There will be an essay exam on practical public budgeting situations that will allow you to demonstrate your acquired knowledge associated with the Student Learning Objectives. For example, in an operating budget a common problem is how to deal with the need for cash in doing the business of the public agency or nonprofit organization. The test question would be to develop a written procedure to best deal with the challenge while minimizing the possibility of the cash disappearing for no legitimate organizational purpose.
- b. Given that each student has three hours to complete the exam, the class will be given several questions on the day of the exam. Before the test day, your professor will identify a list questions the might be used in the exam.
- c. Answers on the exam MUST be original to the student submitting the exam. Students may study together in preparing for the exam but no two answers should be identical to the answer of another student. Answers must be written during the exam period without reference to any books or notes.

6. First Project (see key dates)

- a. The first project is in two parts: (1) preparing a performance budget with outcome and output indicators; and (2) also preparing policies and procedures for others to do the same in subsequent fiscal years.

- b. The class will be divided into groups of three as working in groups is typical in public budgeting.
 - c. Each group will be assigned a small public agency or nonprofit as their basis to develop their project. First, they will determine the last year budget for the agency, its line items used, its programs. They will present that data on a spreadsheet that shows the budget numbers in a matrix format (rows being line items and columns being programs). Second, they will develop a second spreadsheet for the budget year updating the numbers. Third, they will develop for each program outputs and outcomes for both matrix spreadsheets. Send them via university email.
 - d. Fourth, they will create a narrative budget using the budget year matrix justifying the budget changes in terms of changes in not only the changing numbers, but also the changing output and outcomes. This will finish part one of the project. Send them via university email.
 - e. Fifth, they will develop a Budget Call needed to gather the information to prepare the next fiscal year budget that will include a budget hearing for each program leader to justify their budget request. Send them via university email.
 - f. Sixth, they will prepare a set of questions for those program leaders that the budget director will use in their budget hearings. Send them via university email. This is will compete the last part of the first project.
7. Second Project (see key dates)
- a. The class again will be divided into groups of three.
 - b. Each group will be assigned a project that will be determined later. For example, one project will be to examine the budget forecasts used in the HART to build the rail system and the group report will explain what went wrong and how could it have been done better.
 - c. Each group will research their project and develop a written report on it that will be turned into the professor at a time noted later. Send them via university email.
 - d. Each group will make a PowerPoint presentation on their research to the class. Each presentation should last no more than 30 minutes. The presentations will be video recorded and the best presentations maybe posted. In preparing PowerPoint presentations, read carefully the Rubric for Scoring PowerPoint Presentations.

Course Grade

Your grade in the course will be assigned as follows:

Topics that are graded	Percent
Class discussions and Laulima Discussion Forums	15%
First Project: four assignments (spreadsheets, narrative budget, budget call, and budget hearing questions)	25%

Exam taken in class	35%
Second Project: two assignments (written report and PowerPoint)	25%
TOTAL – FINAL GRADE	100%

Calendar

Session / Date	Topics	Assigned Readings
Session 1 / Jan. 11 & 12	Orientation to Budgeting	Look over Relevant Online Documents
Session 2 / Jan 18 & 19	Budget Formats and Preparation	Lynch, et. al, Chapter 1
Session 3 / Jan 25 & 26	Context of Budgeting	Lynch, et. al, Chapter 2
Session 4 / Feb 1 & 2	Toward Modern Budgeting	Lynch, et. al, Chapter 3
Session 5 / Feb 8 & 9	Budget Behavior	Lynch, et. al, Chapter 4
Session 6 / Feb 15 & 16	Analysis Applied	Lynch, et. al, Chapter 5
Session 7 / Feb 22 & 23	Analysis Applied	Lynch, et. al, Chapter 5
Session 8 / March 1 & 2	Analytical Processes	Lynch, et. al, Chapter 6
Session 9 / March 8 & 9	Operating Budgets and Accounting	Lynch, et. al, Chapter 7
Session 10 / March 15 & 16	Guest Speaker	
Session 11 / March 22 & 23	Capital Budgeting and Debt Administration	Lynch, et. al, Chapter 8
Session 12 / March 29 & 30	Spring Recess	
Session 13 / April 5 & 6	Revenue Systems	Lynch, et. al, Chapter 9
Session 14 / April 12 & 13	Internal Service Functions	Lynch, et. al, Chapter 10
Session 15 / April 19 & 20	Exam	
Session 16 / April 26 & 27	Project 2 Oral Reports	PowerPoint Presentations
Session 17 / May 3	Last Class Day	For any late presentations
May 13	Commencement	Semester Ends

Key Dates

Assignments and Key Events	Due Date
First Project: Line Items and Programs Spreadsheets	Jan 25 & 26
First Project: Narrative Budget	Feb 1 & 2
First Project: Budget Call	Feb 8 & 9
First Project: Budget Hearing Questions	Feb 15 & 16
Hand out of Potential Exam Questions by Professor	March 8 & 9
In Class Exam	April 19 & 20
Second Project: Group Assigned Projects by Professor	Feb 22 & 23

Second Project: Written Report Due	April 12 & 13
Second Project: PowerPoint Presentations	April 26 & 27
Second Project: Last Chance for PowerPoint Presentations	May 13

Rubric for Scoring for Discussion Board Posts (DB) and Replies

100 points Possible (Some DBs require 2 Replies and some do not)

Not Acceptable 19 point or less	Acceptable 21 points	Proficient 23 points	Exemplary 25 points
Did not post on the DB or did not post in the required time period.	Successfully posted the required number of “substantive posts (and replies if needed) in the required time period.	Exceeded the required number of “substantive posts (and replies if needed) in the required time period.	Exceeded the required number of “substantive posts (and replies if needed) in the required time period. Added material or moved the conversation in a meaningful way.
Posted only one “Substantive” post (minimum 200 words) or posted two that were not “substantive”	Posted two “Substantive” post (minimum 200 words) and replies if needed.	Exceeded the required number of “substantive posts (and replies if needed).	Exceeded the required number of “substantive” posts (and replies if needed). Added new material or moved the conversation in a meaningful way.
Did not address comments to the topic in the posts or left out significant sections of the talking points or question.	Addressed comments to the topic of the DB and included all the significant sections of the talking points or question.	Addressed all the significant sections of the talking points or question of the DB and added to the conversation by expanding it appropriately.	Addressed all the significant sections of the talking points or question and added significantly to the to the conversation by expanding it appropriately with additional material.
Comments were inappropriate for a professional discussion or poor	Comments were appropriate for a professional discussion. <u>No</u>	Comments were appropriate for a professional discussion. <u>No</u>	Comments were appropriate for a professional discussion. <u>No</u>

grammar and spelling.	spelling or grammar errors.	spelling or grammar errors. Used examples to demonstrate main points.	spelling or grammar errors. Used examples to demonstrate main points. Demonstrates creativity and attention to detail.
Feedback:	Feedback:	Feedback:	Feedback:

NOTE

To be “substantive” a post must be a minimum of 200 words, be on topic and address the main talking points posted in the discussion board.

Rubric for Scoring for Power Point Presentations

100 points Possible

	Not Acceptable Less than 19 points	Acceptable 19-20 points	Exemplary 21-25 points
Organization	Presentation was off topic and not well organized	Presentation covered just the basic (or major) points of the topic and was logical in its flow	Presentation was thorough, developed the topic well, and was logical in its flow
Accuracy	Presentation had factual and or spelling/grammar errors and not cited	Presentation was factually correct but spelling/grammar errors and few or no citations	Presentation was factually correct and cited correctly where appropriate. No spelling/grammar errors
Visuals	Presentation design theme was not appropriate for PPT. Font size was too small to be read from a distance too many words on slides	Presentation used an appropriate design theme for PPT. Font size was too small to be read from a distance Or too many words on slides	Presentation used an appropriate design theme for PPT. Font size was large enough to be read from a distance And 40 or less word to a slide.
Voice & Eye contact (where	Presenters voice was weak	Presenters voice was strong	Presenters voice was strong

appropriate)	Volume appropriate Syntax jerky, like reading from a page of notes rather than casual speech Did not make eye contact with audience (Where appropriate)	Needed to be asked to speak louder Syntax OK, but still reading from script Made occasional eye contact with audience (Where appropriate)	Volume appropriate Syntax smooth Made good eye contact with audience (Where appropriate)
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