COURSE SYLLABUS
Public Budgeting and Finance
PADM 5305 for SPRING 2013
Wednesday 7 – 9:30 pm in BH 201

Office: Bay Hall 303
Office Hours: By appointment
Office Phone: 949-3201
Need assistance? Call, email or set up an appointment

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Understanding the truth behind the joke:

“One thing we know about government, be it democratic or communist, national, state or local, good or bad, it has an insatiable appetite for money.”
Rubin O’Doud Askew, Florida Governor

“How do you balance the budget, cut taxes and increase spending at the same time? It’s very simple. You do it with mirrors.”
John B. Anderson, Illinois Congressman

A veritable incubator of shortcuts, schemes, and devices to overcome the truth.”
David A. Stockman, OMB Director

“Balancing the budget is like going to heaven. Everybody wants to do it, but nobody wants to do what it takes to get there.”
Attributed to Various Sources

“Everyone is always in favor of general economy and particular expenditure.”
Anthony Eden, Prime Minister of Great Britain

“It is always the ‘other fellow’s programs’ that should be cut. Unfortunately, there are not enough ‘other fellows’ to go around.”
Murray Weidenbaum, CEO

“Cost reduction and cost control are by their very nature sort of antisocial activities.”
Ernest Fitzgerald, Former US Deputy Assistant Secretary of the Air Force

“A good budget is an oxymoron.”
Amory Houghton, NY Congressman

“How does a government reduce expenditures? To be absolutely flat about it, 99% of it is accomplished by putting people out of work. Now that is a tough way to say it, but it is a fact.”
George M. Humphrey, US Secretary of the Treasury

“If you ask the Air Force what budget cuts they would suggest, they will always first suggest Air Force One, knowing you’ll never cut it.”
Attributed to Various Sources

PADM 5305
COURSE DESCRIPTION:

The course is designed to provide students with both a strong theoretical framework of the decision-making process in public budgeting in the United States and actual practice in the creation of a public budget. Through selected readings from the text book, *Budgeting Formulation and Execution*, and a workbook approach, this course offers an analysis of the nature and processes of public budgeting. From an experiential standpoint, basic financial management planning, preparation, and resource allocation will be examined in the context of a budgeting laboratory. The laboratory *(Workbook)* allows participants to experience budgeting within a simulated city *(Data Sourcebook)*. In sum, the course teaches budgeting by making students actually do it. It will provide a variety of practical budgeting experiences from which participants will gain insight about the process and tools they will later encounter on the job.

The course consists of a mixture of class activities (informal lectures, group discussion, teamwork, and speakers) and student responsibilities (individual projects, oral presentations, Workbook exercises). Generally, the material will parallel, but not repeat, the readings.

COURSE OBJECTIVES:

The course can help achieve four goals of professional development for M.P.A. students:

1. **To provide a learning opportunity in which a solid, theoretical base complements, compounds, and guides the application of techniques.** The steps in the budgeting process, for example, are viewed in the context of the laboratory city’s political, social and economic conditions.

2. **To offer experiential learning and skill development.** By actually performing budgeting tasks, the participant practices those processes and observes the group dynamics he or she may later find in a work situation. Research suggests students who actually “experience” budgeting retain what they have learned longer than they do through typical lecture courses.

3. **To test techniques by simulating problems for the student to confront.** The laboratory can bring the theoretical and textbook concepts to life.

4. **To perform tasks yielding a time-sensitive product: a city budget.** The task orientation can motivate deeper student involvement and understanding of the subject matter.

REQUIRED TEXTS:


PADM 5305
SUGGESTED READING:


STUDENTS WITH DISABILITIES:

The Americans with Disabilities Act (ADA) requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact the Disability Services Office at (361) 825-5816 or visit the office in Driftwood 101.

LEARNING ASSESSMENT/COURSE REQUIREMENTS:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Attendance and Participation</td>
<td>10%</td>
</tr>
<tr>
<td>5 Citywide Summary Documents as assigned</td>
<td>5%</td>
</tr>
<tr>
<td>7 Budgeting Workbook Exercises</td>
<td>35%</td>
</tr>
<tr>
<td>4 Departmental Workbook Exercises &amp; Presentations</td>
<td>20%</td>
</tr>
<tr>
<td>Draft Budget Submittal for Assigned Departments</td>
<td>5%</td>
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<tr>
<td>Citywide Budget Message &amp;Transmittal Letter</td>
<td>10%</td>
</tr>
<tr>
<td>Final Budget Submittal for Assigned Departments</td>
<td>5%</td>
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<tr>
<td>Budget Power Point Presentation for Assigned Departments (Final)</td>
<td>5%</td>
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<tr>
<td>Citywide Budget Talking Points for the Mayor (Final)</td>
<td>5%</td>
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<tr>
<td>TOTAL</td>
<td>100%</td>
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All course requirements must be completed to receive a grade from this course.

A = 90-100 points  
B = 80-89 points  
C = 70-79 points  
F = ≤69 points

ATTENDANCE AND CLASS PARTICIPATION (10 points):

This course relies heavily on student attendance and interaction. Attendance and punctuality are expected in all classes. *Your absence from this class will be detrimental to your grade,* may affect the course progression, and potentially, the grades of the other members of your class. Class work cannot be learned in absentia, and on-time attendance is expected. *With active classroom participation, the full 10% will be given for those with 0 or 1 absence; 5% for those with 2-3 absences; and zero for anyone with 4-5 absences. Six absences or more constitutes an “F” for the entire course.* Attendance is defined as PADM 5305.
initialing the roster before class begins and staying the entire period. Stated differently, consider the class sessions to be the campus equivalent of a budgeting session. In such an environment, your colleagues may save your place the first time you are late or absent; the second time, your seat may be temporarily taken by your replacement; but the third time, your seat is likely to be permanently taken by your replacement. Budgeting is a team exercise. Please understand that your contribution has a bearing on the value of the course, both to yourself and to your colleagues; if you believe that your contribution is not important, then please take another course.

Each class will be devoted to discussion and analysis of the specific topics indicated for that class on the syllabus. It is important that each student come to each class well prepared to participate in discussions.

**Academic Advising:**

The College of Liberal Arts requires that students meet with an Academic Advisor as soon as they are ready to declare a major. The Academic Advisor will set up a degree plan, which must be signed by the student, a faculty mentor, and the department chair. The College’s Academic Advising Center is located in Driftwood 203E, and can be reached at 825-3466.

**Grade Appeal:**

As stated in University Rule 13.02.99.C2, Student Grade Appeals, a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see University Rule 13.02.99.C2, Student Grade Appeals, and University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are accessible through the University Rules Web site at [http://www.tamu.edu/provost/university_rules/index.html](http://www.tamu.edu/provost/university_rules/index.html). For assistance and/or guidance in the grade appeal process, students may contact the Office of Student Affairs.

**5 CITYWIDE SUMMARY BUDGET DOCUMENTS (5 points):**

At certain benchmarks in the budget development process, each student will be asked to produce 5 different and specific citywide summary documents needed to analyze, reconcile and complete the mock city budget. Due: As Assigned.

**7 BUDGET WORKBOOK EXERCISES (35 points):**

Students will be assigned specific city departments and revenue sources listed in the Data Sourcebook at the beginning of the course. All individual exercises in the budgeting workbook are designed to prepare you for the class discussion for that date. Therefore it is important that you complete the questions and work the calculations prior to coming to class. The exercises should be completed in a professional manner.
in keeping with the role of a budget analyst that the students are assuming during the course. Each assignment will be reviewed for professionalism, completeness & accuracy. You will be expected to hand in specified individual workbook exercises on the dates listed in the course calendar. There are no provisions or exceptions for late assignments. Any of the workbook assignments turned in later than one week after the class discussion will not be accepted. **Due: 1/30th, 2/6th, 2/20th, 3/6th, 3/27th, 4/3rd, 5/8th.**

### 4 DEPARTMENTAL WORKBOOK EXERCISES & CLASSROOM PRESENTATIONS (20 points):

Students will be assigned city departments and revenue sources listed in the Data Sourcebook at the beginning of the course. There are 4 workbook exercises with presentations that each student will present in classroom staff meetings on their assigned areas during the semester worth five points each. At classroom staff meetings, the requirements of the workbook action sequence must be prepared and ready to be presented and turned in on that date. **One written copy of each assignment will be turned in and a copy emailed to all classmates the evening before the assignment is due in class.** The assignment & presentation should be completed in a professional manner in keeping with the role of a budget analyst that the students are assuming during the course. There are no provisions or exceptions for late papers or presentations for these 4 staff meeting dates. Presentations per each assigned department must be limited to 5 minutes or less and each student must be prepared to answer classroom and instructor questions at the end of each presentation. Assignments will be reviewed and graded for professional presentation, completeness & accuracy. **Due: 2/13th, 2/17th, 3/20th, 4/10th.**

### SUBMITTAL & PRESENTATION OF DRAFT BALANCED DEPARTMENTAL BUDGETS (5 POINTS)

Each student will develop, submit & present a draft balanced departmental budget based on Workbook Step 12, incorporating all the preceding exercises & presentations. **One written copy of the assignment will be turned in and a copy emailed to all classmates the evening before the assignment is due in class.** Presentations per department must be limited to 5 minutes and each student must be prepared to answer classroom and instructor questions at the end of each presentation. **Due April 24th.**

### CITYWIDE BUDGET MESSAGE AND TRANSMITTAL LETTER (10%)  

Each student will develop and submit a citywide budget message and transmittal letter (5 – 10 pages) based on all the preceding exercises, presentations and personal observations. You will be graded on your ability to summarize key points and aspects of the citywide budget, as well as for the accuracy and professional tone of the assignment. See attached grading rubric. **Due May 1st.**

### SUBMITTAL OF FINAL BALANCED DEPARTMENTAL BUDGETS (5 POINTS)

Each student will resubmit a final balanced departmental budget taking into account Workbook Step 13, PADM 5305
incorporating all the preceding exercises & presentations. **Due May 8th.**

**DEPARTMENTAL BUDGET POWER POINT PRESENTATION (5 POINTS)**

As part of their final exam, each student will develop and submit a power point presentation (4 – 5 pages per assigned department) summarizing the final balanced budget for their assigned departments. **Due Monday, May 13th. No class this day.**

**CITYWIDE BUDGET TALKING POINTS (5 POINTS)**

As part of their final exam, each student will develop and submit a 4 - 5 page, double-spaced and 14-font set of talking points for the Mayor to use in introducing and summarizing the key points of the citywide budget presentation. Work off of your citywide budget message and final transmittal letter assignment. **Due Monday, May 13th. No class this day.**

**Academic Honesty:**

All responses and worked turned in to the instructor are to be your own personal work product. You are expected to understand and uphold the Academic Honor Code published in the Student Handbook. In addition to information listed in these sources, you are advised that:

1. **If, on a rare occasion,** you take material that is not yours, from any source whatsoever, and copy it into assignments for this class, you must provide a footnote, endnote, or parenthetical reference to the source of the material.

2. Any material which quotes verbatim from other sources must be enclosed in quotation marks and its source attributed as noted in rule #1 above.

3. Material not taken verbatim from a text but paraphrased must also be attributed as in rule #1.

4. Violations of these rules in any assignment may be subject to a minimum penalty of a grade of zero (0) for the assignment and may result in a grade of "F" for the course.

5. Violations of these rules can also result in administrative removal from the MPA program and the University depending on the instance.
### COURSE CALENDAR

**NOTE:** Each week’s reading assignments listed below are taken from the Action Sequence Section of every Workbook Step and are expected to be read prior to the date that Workbook Step is scheduled on your Course Calendar.

<table>
<thead>
<tr>
<th>Date</th>
<th>Topics &amp; Reading</th>
<th>Budget Assignments</th>
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<tr>
<td>January 23</td>
<td>Course Introduction &amp; Overview. Budgeting as a Story.</td>
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| January 30 | Budget Intro/Demographic Analysis  
**Reading:** Step 1 – 2.d thro 2.i  
Step 2 – 4.a, 4.d thro 4.f | Workbook Steps 1 & 2 due                                                             |
| February 6 | Importance of Context in the Budgeting Process.  
Intro to our Mock City & Budgeting 101.  
Looking at Expenditures & Revenues.  
**Reading:** Step 3 – 6.a & 6.b, 7, 9 | Workbook Step 3 due                                                                 |
| February 13| **Classroom Staff Meeting**  
Presentation & Written Report on Assigned Departmental Expenditure Histories.  
*Your Copy to be emailed to all classmates the night before.* | Workbook Step 4 due                                                                 |
| February 20| Workbook Exercise on Histories of Assigned Revenue Sources.  
**Reading:** Step 5 – 5.a thro 5.d | Workbook Step 5 due                                                                 |
| February 27| **Classroom Staff Meeting**  
Written Report & Presentation on History of Assigned Revenue Sources.  
*Your Copy to be emailed to all classmates the night before.* | Workbook Step 6 due                                                                 |
| March 6    | Workbook Exercise on Projections for Assigned Revenue Sources. | Workbook Step 7 due                                                                 |
| March 13   | **Spring Break: No Class**                                |                                                                                     |
| March 20   | **Classroom Staff Meeting**  
Presentation & Written Report/Analysis of Assigned Revenue Projections.  
*Your Copy to be emailed to all classmates the night before.* | Workbook Step 8 due                                                                 |

PADM 5305
March 27  Workbook Exercise on Capital Budget & Debt Management for Assigned Departments.  Workbook Step 9 due  
**Reading:** Step 9 – 1.a, 1.e thro 1.h

April 3  Workbook Exercise on Developing Costs of Departmental Employment & Expenditure Estimates  Workbook Step 10 due  
**Reading:** Step 10 – 3.a, 3.b, 3.e, 3.f, 3.l

April 10  **Classroom Staff Meeting.**  Workbook Step 11 due  
Presentation & Written Report/Analysis of Assigned Departmental Expenditure Proposals.  *Your Copy to be emailed to all classmates the night before.*

April 17  **Classroom Staff Meeting.**  Refer to Workbook Step 12  
Reconciliation of all Departmental Expenditure Requests with total Projected Revenue.  Lay Groundwork for Departmental Draft Budgets.  Review Examples of Citywide Budget Messages & Transmittal Letters.  **Reading:** Step 12 -- 1

April 24  **Working Group Staff Meeting with Mayor.**  Workbook Step 12 due:  
Individual Departmental Budget Presentations to Mayor.  Draft Departmental Budgets with Form 8 with 4, 5 & 7 and Receive & Discuss Policy Comments.  Revised Form 6 & 6.a  *Your Copy of draft departmental budgets to be emailed to all classmates the night before.*

May 1  **Class Lecture:**  Citywide Budget Message & Transmittal Letter due  
How to Manage a Workforce through Budget Cuts & Lay Offs.

May 8  **Classroom Staff Meeting.**  Workbook Step 14 due.  
Workbook Exercise Assessing Budget Formulation & Execution, as well as Measuring & Reporting Success  **Reading:** Step 14 -- 4.b, 4.d, 4.g, 4.h  
Workbook Step 13 due:  
Final Departmental Budgets
Monday, May 13

Final Exam: Assigned Departmental Power Point Presentations Due.

Final Exam: Citywide Talking Points for Mayor's Budget Introduction Due.

No Class This Night