PBPL 840- Budget Management and Public Policy

Class Sessions: Tuesday evenings
6:30 pm - 9:30 pm – Seabury Hall S205

Instructor: Dr. Elda Sinani, LL.M.
Office hours: By appointment
Email: elda.sinani@trincoll.edu

Syllabus

Course Descriptions

This course is designed to introduce students to the basic concepts necessary to perform the various functions that comprise the public sector budget-making process such as; developing a budget document, preparing testimony, estimating and projecting revenues, reviewing and forecasting a budget, and participating in various stages of the budget-making process. In addition, we will explore the public policies of developing, evaluating and implementing a public sector budget. The purpose of this course is to understand the policy making process and the importance of using management processes to improve the efficiency and effectiveness of public budgeting.

Textbooks

3. Additional short readings and videos will be posted on Moodle.

---

1 Available at the Trinity College Bookstore.
2 Available at the Trinity College Bookstore.
3 In addition to accessing readings, students should submit all written assignments, including the final exam, via Moodle (in Microsoft Word and/or Excel format).
Contact Information

I will be available for consultation before each class session, on Tuesdays between 5:00 and 6:30 pm and after class between 9:00 and 10:00 pm. I prefer email messages at elda.sinani@trincoll.edu.

Course Requirements

Overview: In addition to the text and outside reading assignments, homework is assigned for text modules, due each Tuesday. I will post homework assignments for the upcoming week on Moodle. Two exams, a midterm and final, will be given.

Assigned Readings: Text and reading assignments are indicated on the syllabus. Additional outside readings will be posted as a downloaded article or a web link on Moodle. I reserve the right to assign additional readings, current news topics as they arise, and the right to make adjustments to the text assignments on the syllabus. It is important to check Moodle regularly for assignment changes and other current information.

Class Participation: Students will be required to summarize and present reading assignments and to explain their answers to take-home assignments. We will have three guest speakers scheduled. Be prepared to ask questions and have comments for our invited speakers. Students are encouraged to bring their work experiences in the public or non-profit sectors or other job experiences to class discussions.

Class Attendance: Please notify me by email if you will be absent for a class.

Take-home assignments: Take-home assignments will be given on a weekly basis. Your success in understanding budget concepts and performance on exams will be strongly correlated with consistent and thorough completion of the analytical exercises in your weekly assignments. You are strongly advised to start your homework assignment couple days before the following Tuesday. Try to identify questions or obstacles early on, and feel free to contact me by email. Complete the homework assignment neatly and in the order it is assigned, and staple multiple pages. Indicate clearly the final answer to numerical problems by circling or highlighting. You may confer with other students in completing your homework, but you must turn in your own work. You will not be given credit for answers copied from the text; where applicable, put the answer into your own words.

Accessing and Downloading Excel: Trinity students can access Excel using the web based version or download the full desktop version free. Instructions and info can be found here: http://www.trincoll.edu/LITC/its/computing/Pages/Microsoft.aspx and it is installed on all public machines at the College as well.

For training and support, I recommend Lynda.com: http://www.trincoll.edu/LITC/its/Pages/Lynda.aspx
An introductory tutorial can be found at: https://www.lynda.com/Excel-tutorials/Adding-text-numbers/420300/451469-4.html?srchtrk=index%3a21%0alinktypeid%3a2%0aq%3abeginning+excel%0apage%3a1%0as%3arelevance%0asa%3atrue%0aproducttypeid%3a2

You may also call the Help desk (860-297-2007) with computer questions. For questions on Excel software, you may also contact student technology assistants (STAs) on Level 1 of the library or call 860-297-2589.

**Exams:** During this course, two exams will be given, a mid-term and a final examination. The exams will be a combination of short answer/short essay, and analytical/numerical problems. Exams will cover the assigned text, lecture/discussions, outside readings, and handouts given in class.

**Class Cancellation:** In the event of class cancellation due to severe weather or some other emergency, I will notify students via Moodle and email. I will schedule a make-up class and make assignment adjustments, as necessary.

**Grading:**

Course grades will be based 30% on class participation; 35% on the midterm exam (March 10); and 35% on the final exam (May 8).

**Accessibility:**

Trinity College is committed to creating an inclusive and accessible learning environment consistent with the Americans with Disabilities Act. If you have approval for academic accommodations, please provide notification electronically using SARC Online during the first two weeks of the semester or a minimum of 10 days prior to utilizing your accommodations. Following notification, students are required to meet with faculty to further discuss implementation of accommodations. If you do not have approved accommodations, but have a disability requiring accommodations, or have questions about applying, please contact Lori Clapis, Coordinator of Accessibility Resources at Lori.Clapis@trincoll.edu, 860-297-4025 or refer to the Student Accessibility Resources (SARC) website: https://www.trincoll.edu/StudentLife/StudentAccessibilityResources/students.
Class Schedule and Readings

Readings: Choices to promote local economy (Bland, Part I, Ch. 1.) Idea formulation (Kingdon, Ch.1.)
Assignment: Write a paragraph to respond to the discussion question on Moodle regarding public goods. Watch https://www.youtube.com/watch?v=dt_yubkp4Hl

Class 2 (January 28, 2020) Creating a more resilient local economy.
Readings: Revenue Choices: Principles to guide the manager (Bland, Part I, Ch.2.) Participants on the inside & outside of Government (Kingdon, Ch.2-3.)
Assignment: Write a short paper on: What is the appropriate role of the government in the economy? How do budgets help shape that role?

Class 3 (February 4, 2020) Benefits of the Property Tax to the Budget Process.
Readings: The Property Tax & other Tax Revenues. (Bland, Part I. Ch.3 & 4.) Processes & Rational Decision Making. (Kingdon Ch.4.)
Assignment: Conduct web-based research to locate and interpret a variety of property tax decisions in local government.
NASBO (National Association of State Budget Officers): State Taxes and Revenue, Part 3 (6:20). This video describes the sources and proportions of state revenues. https://www.youtube.com/watch?v=6LSNTIEYMe8

Class 4 (February 11, 2020) The role of Service Charges in Local Government
Readings: Service Charges & Regulatory fees. Using taxes for economic and political purposes (Bland, Part I. Ch. 5.) Problems Definition (Kingdon, Ch.5.)
Assignment: What are the most common sources of problems (political and economic) that arise from local governments’ use of tax incentives? What measures should public administrators take to minimize the occurrence of these problems?

Class 5 (February 18, 2020) Strategic Choices for local Government
Readings: Tax incentives & economic development (Bland, Part I. Ch.6.) Policy formulations (Kingdon Ch.6.)
Assignment: The continued constriction of local government budgets has prompted a number of cities around the country to look at their tax expenditures - the exemptions or other tax relief measures provided to businesses, individuals, and nonprofits. What is the justification for exempting nonprofits from paying local property taxes? From paying state and local sales taxes? What are the long-term effects to the property tax base of exempting nonprofits from the property tax? Several local governments have begun demanding payments in lieu of taxes (PILOTs) from large private universities and hospitals. Should all nonprofits be required to pay PILOTs? Why or why not?

Class 6 (February 25, 2020)  Guest Speaker from Local Budget Office.
Readings: The Budget Cycle: Preparing and Approving the Budget (Bland, Ch. 2.) Policies & Communities (Kingdon, Ch.6.)

Class 7 (March 3, 2020) Principles of Budget Choices & Process
Readings: Budget Cycle (Bland, Part II. Ch. 7.) Political Stream (Kingdon Ch.7.)
Assignment: In what ways does budgeting in the public sector differ from budgeting in business? Discuss the implications of these differences for the argument that “government can’t be run like a business.”

Watch just the first 15 minutes and 30 seconds of an hour-long lecture by economist Milton Friedman (in the late 1960s) on the “Role of Government in a Free Society” at: https://www.youtube.com/watch?v=LucOUSpTB3Y

Class 8 (March 10, 2020) Guest Speaker-Melissa McCaw, The Secretary of the Office of Policy and Management, also known as the CT Budget Chief.
Budget Preparation and Legislative approval

NASBO: The State Budget Process, Part 1 (6:02). This video describes the state budget calendar and process. https://www.youtube.com/watch?v=dt_yubkp4HI

*March 14 - 22  Spring Break – No Class

Class 9 (March 24, 2020) Budget Implementation and Financial Controls in Government
Readings: Executive implementation (Bland, Part II. Ch. 9.) Policy Evaluations (Kingdon Ch.8.)
Assignment: Once the operating budget is approved, the focus is on budget implementation. One of the most important tasks in this third phase of the budget cycle is monitoring actual revenues and expenditures with the purpose of anticipating unfavorable trends. For this Excel exercise, the analysis returns to the line-item budget for a city’s Licenses & Inspections department. The exercise involves projecting year-end expenditures (1) for each line item, (2) for total departmental expenditures, and (3) for each revenue source, and then comparing trends in actual expenditures and revenues with the totals in the adopted budget.
https://www.youtube.com/watch?v=iOJQZmeY-ek

March 31, 2020 - Midterm Exam.

Prepare two policies on the following topics. You may use language from any of the local governments or from any other organization’s budget policy statement of your choice.

a. Budget coverage
b. Balanced budget
c. Budget reserves
d. Procedures for preparing and amending the operating budget
e. Assignment of responsibility for duties in the budget process

Class 10 (April 7, 2020) The Budgeting Accounting and Internal Controls
Readings: The Accounting framework & Process (Bland, Part II. Ch.10.) Agenda Setting (Kingdon, Ch.9.)
Assignment: Using the website of a City of Hartford, access the most recent CAFR (Comprehensive Annual Financial Report) and answer the following questions. How much in taxes receivable are due to the general fund? Why is there the large reserve for capital projects funds? How much did the fund balance in the general fund change from the preceding year?

Class 11 (April 14, 2020) Planning and Budgeting for Capital Improvements
Readings: The context of Capital Budgeting (Bland, Part II. Ch.11.)
Watch: Capital Budget Calculator
For a short summary of capital budget accounting see these presentations
What is Capital Budgeting: Introduction - Managerial Accounting video (3:42)
Brian Routh. (A brief overview of four models)
https://www.youtube.com/watch?v=kFyZkXHit_A

Class 12 (April 21, 2020) Guest Speaker. CIP Manager. Overview of Capital Improvements Projects in the City of Hartford.
Capital Budgeting Lecture (11:05)
Gordon Hensley, 2012 https://www.youtube.com/watch?v=TrKVj_wLgUc

Class 13 (April 28, 2020) Budgeting for Improved Performance
Readings: Performance Measures (Bland, Part II. Ch.12.)
Assignment: Define and provide an example from a budget document for each of the following.

a. Benchmark
b. Objective
c. Goal
d. Measure
e. Input
f. Output
g. Outcome
h. Optimum performance
i. Expected performance

*Final Papers are due by Friday May 8, 2020, at 5:00 p.m.*

The Budget Management Framework Based on Local Government Strategy. A strategy based budget management model. How can governments use budgeting to promote policy goals?