



PAPA 6314: PUBLIC BUDGETING PROCESSES & THEIR POLICY IMPLICATIONS

**Professor Jason J. Fichtner, Ph.D.
Spring 2010**

GENERAL COURSE INFORMATION:

Day and Time: Mondays, 6:45 pm – 9:30 p.m.
Instructor's Phone: 202-358-6000
Instructor's Email: jfichtner@gmail.com / jfichtne@vt.edu
Office Hours: After class, or by appointment

This course focuses on financial and budget issues in the public sector. It is designed as an overview of several key elements in the areas of public budgeting, public finance, and financial management. This is a graduate level course designed to provide students with a fundamental understanding of the issues, processes and tools needed to make informed policy decisions on public budgeting issues. This course will cover several areas that will be useful to you in your professional life, regardless of whether or not your career focuses on public budgeting, including reading and preparing budget documents, participating in performance and financial audits, and conducting program design and evaluation. Budgeting affects many aspects of politics and public governance. This course will provide a foundation that is integral to understanding the role of budgeting in the political process and in public governance. Besides determining the allocation of scarce resources, budgeting is fundamentally about the determination and allocation of political preferences. A fundamental purpose of this course is to demonstrate how public budgeting, policy analysis and politics frequently interact.

One of the main objectives of this course is to provide students with a purposeful mix of practice and theory. Public Administration & Policy students have to keep one foot in the world of practice and the other in the world of academic theory. You must become “pracademics.” Hence, class readings and discussions will revolve around concepts, tools and skills of public budgeting. Guest speakers will occasionally visit the class to provide a practitioner’s viewpoint on how things work “in the real world.”

Throughout the course we will pay considerable attention to democratic accountability. How do we hold agencies and programs accountable? Which techniques seem most promising? What ethical considerations, if any, need to be taken into account? Does accountability collide with other values, such as efficiency and effectiveness? Is it possible or useful to shift from accountability through fair procedures to accountability through good results? Regardless of whether your career is in the public sector or private sector, or whether or not you will ever work as a budgeter, answering these questions will help you become more effective policy analysts and better informed citizens.

EXPECTATIONS

- You are expected to act with the highest professional ethics and skill.
- You are expected to complete all of the readings in advance of each class, and to be prepared to discuss them as well as your own experiences and insights regarding public budgeting.
- You are expected to adhere to the Virginia Tech Honor Code. For all written course assignments please provide citations for all outside sources for the ideas in your assignments. Copying, cheating or plagiarism will not be tolerated.
- Students are expected to attend all class meetings and participate in class discussions. If you have an important reason to miss a class or delay an assignment, and you let me know in advance, I will work to accommodate your situation. Important reasons involve major unexpected family or personal challenges and events (e.g. death in the family, severe illness, etc.).
- Even if you miss class, journal entries and assignments are still due on time.
- Late assignments will be marked down at least 1/3rd of a letter grade.
- I have an open-door policy. Please do not hesitate to see me if you have any questions, concerns, comments, etc.

READINGS

The following textbooks will be used in the class:

Robert D. Lee, Jr., Ronald W. Johnson & Philip G. Joyce, *Public Budgeting Systems, 8th Edition*, (Sudbury, MA: Jones and Bartlett, 2008). [Amazon \$88]

Irene S. Rubin, *The Politics of Public Budgeting, 6th Edition*, (Washington, DC: CQ Press, 2009). [Amazon \$49]

Allen Schick, *The Federal Budget: Politics, Policy, Process, 3rd Edition* (Washington, DC: Brookings Institution Press, 2007). [Amazon \$23]

Aaron Wildavsky & Naomi Caiden, *The New Politics of the Budgetary Process, 5th Edition*, (New York: Pearson Longman, 2004). [Amazon \$72]

OPTIONAL:

David N. Ammons, *Tools for Decision Making: A Practical Guide for Local Government, 2nd Edition*, (Washington, DC: CQ Press, 2009). [Amazon \$30] -- Buy it if you think you can use it as a desk reference.

The texts are available on-line from stores such as Amazon.com, Borders.com or Barnesandnoble.com. Make sure to shop around for the best price. I reserve to right to hand out additional readings to supplement the core texts.

ASSIGNMENTS

Journal on Course Readings – Due by 8:00 pm Sunday before Class

You will keep an on-going journal of your reflections of the readings. Come to class with 1 to 2 typed pages (single-spaced in Memorandum style) discussing your thoughts on the reading, including general themes, disagreements, and any insights you glean from the reading that can be applied to current public budgeting events. I'm not looking for an outline of the reading. These reflections will not be graded per se, but they will count towards your participation grade. **Journal entries are to be e-mailed to the professor by 8:00 pm the Sunday before class.**

Issue of the Day

Please read the major newspapers and come to class ready to bring up interesting and relevant topics. Every day in the newspapers, particularly in the national and metro sections, there are lots of stories that pertain to public budgeting. You are also encouraged to read the op-ed pages, as they often touch upon public budgeting issues. At the beginning of each class, I will solicit topics from the class and we will hold a brief (20 minutes) discussion session. This will be considered part of your overall class participation grade.

Papers

Along with Participation, your course grade will be based on your performance in the following assignments:

Paper #1 - Budget Policy Brief.

Policy professionals must often write policy briefs on a numerous topics for a variety of audiences – agency executives, congressional committees, association/interest groups, the general public, etc. The objective of this assignment is to review the President's Budget and, choosing one Agency, summarize the Administration's key objectives and initiatives in a 2-3 page single-spaced policy brief. Also note whether the President's Budget proposes funding increases or reductions to current programs. The President's Budget is submitted to Congress on Monday, February 1 and the **policy brief is due on February 22**. This assignment will be graded according to the quality of your written work and your ability to effectively analyze and summarize the key objectives of the President's Budget.

Paper #2 – Review and Analysis.

This assignment is to write a brief analytical paper on a topic dealing with the public budgeting literature covered in the first phase of the semester. I will distribute the paper assignments on **February 22**. The paper should be about 5-7 pages single-spaced and is due **March 15**.

Paper #3 – Issue Memorandum.

The third paper will be an analysis of a current, ongoing issue in public budgeting. This paper will be in the form of an issue memorandum to a senior decision-maker and should be about 7-10 pages single-spaced. The topics should focus on contemporary issues unfolding in the world of public budgeting. You will need to select a topic by **March 22** and your memorandum will be due on **April 5**.

Group Presentation

There is no final exam for the course. However, a group PowerPoint presentation dealing with the course material and concepts is required. The group presentation assignment will be handed out during

the **April 12** class. Teams will consist of 3 – 4 people. Students will select their own teams. Presentations will be due and given in class on the last scheduled class day, **May 3**.

Note: All assignments need to be handed in during class, as well as delivered via e-mail to jfichtner@gmail.com. Journal entries need to be e-mailed to me by 8:00 pm the Sunday night before class.

GRADES

Grades will be based on a variety of individual contributions, described below:

Paper #1 (2-3 pages)	20 percent
Paper #2 (5-7 pages)	20 percent
Paper #3 (7-10 pages)	25 percent
Group PowerPoint Team Presentation	15 percent
Participation (attendance, in-class & journal)	20 percent

Grades will be assigned according to the following scale:

94-100	= A
90-93.9	= A-
87-89.9	= B+
83-86.9	= B
80-82.9	= B-
77-79.9	= C+
70-76.9	= C
< 70.0	= F

I do not grade on a Bell Curve – All students are expected to perform at B level or above.

Summary of Course Assignments, Activities and Due Dates:

<u>Item</u>	<u>Date</u>
Budget Policy Brief Due	February 22 nd
Handout Questions for Paper #2 – Review & Analysis	February 22 nd
Paper #2 – Review & Analysis Due	March 15 th
Topics Due for Paper #3 – Issue Memorandum	March 22 nd
Paper #3 – Issue Memorandum Due	April 5 th
Handout Final Exam & Select Groups	April 12 th
Group Presentations	May 3 rd
Guest Speakers:	
Donald Marron	March 1 st
Dan Miller	March 15 th

Course Schedule, Topics, Readings, and Activities

Note: Students are expected to complete the readings and journal assignment prior to class and come prepared to discuss.

January 18	NO CLASS – MLK HOLIDAY
January 25	CLASS INTRODUCTION & OVERVIEW <u>Activity: Instructor & Student Introductions / Discussion of Class Norms</u>
February 1	OVERVIEW & HISTORICAL CONTEXT OF PUBLIC BUDGETING Read: The Constitution of the United States. Available at: http://www.archives.gov/national-archives-experience/charters/constitution.html Key, “The Lack of a Budgetary Theory” (to be handed out by Instructor); Lee (Chapters 1 – 3); Rubin (Chapter 1); Schick (Chapters 1 & 2); Wildavsky (Preface, Chapters 1 & 2).
February 8	FEDERAL BUDGET PROCESS Read: Carney & Schoenfield, “How to Read a Budget” (to be handed out by Instructor); Schick (Chapters 3 – 6); Wildavsky (Chapter 3).
February 15	NO CLASS – PRESIDENTS DAY HOLIDAY
February 22	FEDERAL BUDGET PROCESS, CONTINUED Read: Lee (Chapter 9); Rubin (Chapter 3); Schick (Chapters 8 & 9). <u>Activity: Paper #1 – Budget Policy Brief Due</u> <u>Activity: Handout Questions for Paper #2</u>
March 1	FEDERAL BUDGETING – FROM CONSENSUS TO DISSENSUS Read: Wildavsky (Chapters 4 & 5). <i>Guest Speaker: Donald Marron, Visiting Professor, Georgetown Public Policy Institute; Former Member of the President’s Council of Economic Advisers; & Former Director (Acting) & Deputy Director, Congressional Budget Office</i>
March 8	NO CLASS – SPRING BREAK
March 15	FEDERAL BUDGETING – POLITICS & PROCESS Read: Wildavsky (Chapters 6 & 10). <u>Activity: Paper #2 – Review & Analysis Due</u> <i>Guest Speaker: Former Congressman Dan Miller (R-FL)</i>
March 22	BUDGETING REVENUE / TAXES Read: Lee (Chapters 4 & 5); Rubin (Chapter 2); Schick (Chapter 7). <u>Activity: Topics for Paper #3 Due</u>
March 29	BUDGETING EXPENDITURES Read: Lee (Chapter 6); Rubin (Chapter 5)

- April 5 STATE & LOCAL BUDGETING
Read: Lee (Chapters 7 & 8); Saunders & Tyer, “Local Government Financial and Budgetary Analysis” (to be handed out by Instructor).
Activity: Paper #3 – Issue Memorandum Due
- April 12 BUDGET EXECUTION & FINANCIAL MANAGEMENT
Read: Lee (Chapters 10 & 11)
Activity: Handout Group Presentation Assignment & Select Groups
- April 19 INTERGOVERNMENTAL ROLES & RELATIONSHIPS
Read: Lee (Chapter 14); Straussman, “Courts and the Public Purse Strings” (to be handed out by Instructor).
- April 26 PERFORMANCE MEASURES & THE BUDGET
Read: Joyce, “Linking Performance and Budgeting: Opportunities in the Federal Budget Process;” Gilmour, “Implementing OMB’s Program Assessment Rating Tool (PART);” Walker/GAO Testimony, “How Performance Budgeting Can Help.” (all to be handed out by Instructor).
- May 3 GROUP PRESENTATIONS, SUMMARY & CONCLUSIONS
Activity: Group Presentations Due
Activity: Course Evaluation
Activity: End of Course Celebration