

**RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY SCHOOL OF PUBLIC
AFFAIRS AND ADMINISTRATION
GOVERNMENT BUDGETING AND FINANCIAL MANAGEMENT
SPRING 2017**

Instructor: Cleopatra Charles
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Class Times: TBD
Class Location: TBD
Office Hours: By appointment

TARGET AUDIENCE: This course is designed for students who have no previous formal training (or equivalent on-the-job experience) in either business, nonprofit or government accounting or finance.

COURSE OVERVIEW: This course will focus on fiscal management in government agencies, including revenue administration, debt management, internal and external controls, risk management and public budgeting. Students will examine public revenue sources and the various expenditure types at the federal, state, and local level. Students will explore the budgeting process and will be introduced to some of the more common financial management tools.

COURSE SPECIFIC OBJECTIVES: At the conclusion of this course, students will be able to do the following:

1. Identify the key steps in the budget process
2. Be familiar with both the technical and political aspects of budgeting
3. Apply techniques of external and internal accountability and cost control
4. Analyze contemporary financial management issues relevant to state and local governments

COURSE MATERIALS:

Required Textbook: *Memos to the Governor: An Introduction to State Budgeting* by Dall W. Forsythe ISBN: 1-58901-019-1

PREREQUISITES:

This course is intended as an introduction to budgets. There are no formal prerequisites, and you do not need to be a “numbers” person in order to do well in this class. However, you should be familiar with basic Excel.

HOMEWORK:

1. **Assignments are due at the beginning of lecture on the designated date.**
2. If you need to miss lecture, you may arrange for a classmate to submit it for you in class.
3. **Assignments must be typed and stapled. Handwritten assignments will not receive any credit.**
4. **Each student must write and submit his or her own assignment.** I encourage you to

work on assignments in small groups, but two or more students turning in identical homework assignments constitutes cheating and will be reported to the administration and subject to disciplinary action.

GRADING: Grading for this course shall be on a standard scale as follows:
A = 90-100; B+ = 87-89; B = 80- 86; C+ = 77-79; C = 70-76; F = below 70.

Your course grade will be determined as follows:

In class exams: 45% of grade; Homework Assignments: 45% of grade; Class Participation: 10% of grade

POLICY ON LATE ASSIGNMENTS: Barring significant intervening circumstances, such as medical emergencies or death in the family, I generally do not accept late assignments. Work is not an acceptable excuse for late assignments as it can be anticipated and should be accommodated in your work completion timetable. You are responsible for completing assignments by their deadlines. Should I agree to accept a late assignment not covered by a prevailing university policy, I will reduce your grade for the late assignment by no less than 10% per day. There are no “re-dos”, no extra credit, and no substitutionary credit. You may petition me to accept a late assignment in writing and with appropriate documentation.

APPEAL PROCEDURE: If, after an exam or assignment is graded, you believe that additional credit is deserved due to my fault or oversight you may submit a written appeal for up to one day after the assignment is graded. I will review the work to determine if a change is warranted. Your appeal must be made in writing via a signed memo explaining specifically which items deserve more credit and why. Please note: your argument must be based on the answer actually turned in. Please do not give a new answer and expect more credit. Also, the argument “I meant to say...” doesn’t work.

PLAGIARISM: Academic dishonesty is unacceptable and will not be tolerated. Cheating, forgery, plagiarism and collusion in dishonest acts undermine the School’s educational mission and your own personal and intellectual growth. You are expected to bear individual responsibility for your work and to uphold the ideal of academic integrity. Any student who attempts to compromise or devalue the academic process will be reported to the administration and subject to disciplinary action. Additionally, academic dishonesty will also result in 0 points for the assignment or exam. Students should familiarize themselves with the University's policy on plagiarism at <http://academicintegrity.rutgers.edu/academic-integrity-policy/>

Class Schedule and Reading Assignments

Class 1

Course Introduction – Syllabus Review

In this first class we will review the syllabus.

Read before class: Course Syllabus

Class 2

Topic: Introduction to Public Budgeting

This class will provide you with an introduction to the concepts of budgeting and financial management as well as a discussion of the differences/similarities between public and private sector budgeting.

Read before class: Introduction and Overview (textbook)

Assignment 1 Due

Class 3

Topic: The Budget Officer

This class focuses on the relationship between a Governor and his budget officer. What are the skills and characteristics that an ideal budget officer should possess?

Read before class: Memo 1: You and Your Budget Officer (textbook)

Class 4

Topic: Budget Strategy

In this class we will discuss the elements of a strategic budget plan and outline the fiscal constraints within which such a plan must be implemented.

Read before class: Memo 2: Budget Strategy (textbook)

Assignment 2 Due

Class 5

Topic: Budget Preparation

In this class we will discuss how the executive budget proposal is constructed and learn what the role of the governor is in the preparation and presentation phase of the budget. Here I will introduce some of the technical terms that are used in budgeting.

Read before class: Memo 3: Preparing the Executive Budget-The Technical Underpinnings (textbook)

Class 6

Topic: Choices

In this class we will discuss risk and choices within constraints in the budget process.

Read before class: Memo 4: Choices in the Final Phase of Budget Preparation (textbook)

Assignment 3 Due

Class 7

Topic: Budget Adoption

In this class we will discuss the budget adoption phase of the budget cycle, economic cycles, and the role of the legislature.

Read before class: Memo 5: Budget Tactics: Laying the Groundwork for Adoption (textbook)

Class 8

Topic: Budget Presentation

In this class we will discuss going public with the budget and ensuring that the budget adoption process goes smoothly.

Read before class: Memo 6: Going Public with the Budget (textbook)

Class 9

EXAM 1 TODAY

Class 10

Topic: The Legislative Phase of the Budget Process

We will discuss the legislative phase of the budget process, the vote by the legislature and the veto process.

Read before class: Memo 7: The Legislative Phase of the Budget Process (textbook)

Class 11

Topic: Budget Execution

In this class we will discuss what happens after the budget is adopted and approved.

Readings: Memo 8: Budget Execution (textbook)

Quiz on Class 10 & 11 lecture

Class 12

Topic: Strategy and Tactics

We will discuss here the role of the governor as strategist and tactician.

Read before class: A Final Word On Strategy and Tactics and Budget Vocabulary (textbook)

Assignment 4 Due

Class 13

Topic: Finance: Filling the Till and Paying the Bills

In this class we will discuss revenue including the various taxes used by governments at all three levels. We will discuss the differences between regressive and progressive tax systems.

Read before class: Smith Ch4 (blackboard)

Class 14

Topic: Budgeting Reform in China

In this class we will discuss the role of the legislature in budget decision-making and the role of the citizen in the budgetary process in China.

Read before class: Menifield Ch3 (blackboard)

Quiz on Class 13 lecture

Class 15

Topic: Federal Budgeting in the United States

In this class we will discuss the complexities of the US federal budgeting process.

Read before class: Menifield Ch18 (blackboard)

Class 16

Topic: Debt Management

In this class we will discuss short-term debt financing options and how governments structure their long-term debt and prepare and sell bonds.

Read before class: Coe Ch6 (blackboard)

Class 17

Topic: Understanding Financial Statements

In this class we will discuss the Comprehensive Annual Financial Report (CAFR) and discuss the differences between a budget and a CAFR.

Read before class: Rabin Ch48 (blackboard)

Quiz on Class 16 lecture

Class 18

Topic: Financial Condition Analysis

In this class we will discuss how to conduct a financial condition analysis for a state or local government and the 10-point test of financial condition.

Read before class: Rabin Ch49 (blackboard)

Final Exam

Date TBD