

**San José State University**  
**POLS/MPA PROGRAM**  
**PADM 218 – Public Budgeting, Fall 2022**

**Course and Contact Information**

Instructor(s): Christina Turner  
Office Location: Clark Hall 404F  
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Email: christina.turner@sjsu.edu  
Office Hours: Mon 5-6 pm, in person; other times on Zoom by appt.  
Class Days/Time: Mondays from 6:00pm-8:45pm (18:00-20:45)  
Classroom: Clark Hall 303A  
Prerequisites: PADM 210; ECON 1B; and spreadsheet competency.

**Course Description**

A study of current theory, techniques and practice of public budgeting for political decision-making, planning and management. Focus on executive and legislative budget processes, reform efforts, public choice analysis, financial processes and the role of accounting.

**Course Format**

In-Person Seminar Style; Technology Intensive; Access to Adobe, Microsoft Office Word, Excel, and PowerPoint, Zoom, and Canvas required

**Faculty Web Page and MYSJSU Messaging**

Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on my faculty web page at <http://www.sjsu.edu/people/christina.turner> and/or on [Canvas Learning Management System course login website](#). You are responsible for regularly checking with the messaging system through [MySJSU](#) on [Spartan App Portal](#) to learn of any updates. For help with using Canvas see [Canvas Student Resources page](#).

**Course Goals**

To educate public administration and non-profit professionals about current budgeting theory, techniques, and practice of public budgeting for political decision making, planning, and management. Through the material in this course, students will build capacity to achieve the National Association of Schools of Public Administration and Affairs Core Competencies.

**Course Learning Outcomes (CLO)**

Upon successful completion of this course, students will be able to:

- CLO1:** Explain and assess key elements of government budgeting processes while demonstrating an understanding of the professional ethics and a public service attitude required to enact those processes;
- CLO2:** Understand the political, social, economic, and cultural contexts of the US public budgeting systems at the federal, state and local levels and thereby be able to design and produce a flexible budget for a public organization using alternative sources of funding, including grants, taxes and fees and reflecting policy priorities;
- CLO3:** Provide strategic analysis, based on critical thinking, of the core budgetary issues faced by the US government and other public organizations and provide a critical assessment of the strengths and limitations of different citizen engagement tools in the budgetary process and utilize various analytical tools of financial management, including forecasting models, performance-based budgeting, discounting, and financial statement ratio analysis;
- CLO4:** Demonstrate teamwork and conflict resolution skills that utilize a public service perspective;
- CLO5:** Provide written and verbal communication that express their own ideas of innovative budgetary practices in a manner that supervisors and subordinates in public organizations can implement.

## Required Texts/Readings

### Textbook

Morgan, Douglas, Kent S. Robinson, Dennis Strachota. *Budgeting for Local Governments and Communities*. Taylor & Francis. ISBN:9780765627803

Watson, Douglas J., and Wendy L. Hassett. 2015. *Local Government Management: Current Issues and Best Practices*. London, [England] ; New York, New York: Routledge.

### Resources available online

County Budget Guide: California State Controller's Office. [County Budget Guide - 2020 Edition \(ca.gov\)](#)

A Primer on California City Revenues. 2016. League of California Cities  
<http://www.californiacityfinance.com/WCCaCityRevenuePrimer1612.pdf>

### Other Readings

#### Recommended Text/Readings:

Mikesell, John L. *Fiscal Administration: Analysis and Application for the Public Sector* 10th Edition. Cengage. ISBN: 9781305953680

Dropkin, Murray, Jim Haplin, Bill LaTouche. (2007). *The Budget-Building Book for Nonprofits: A Step-by-Step Guide for Managers and Boards*. (2nd ed.). San Francisco: Jossey-Bass/ John Wiley & Sons, Ltd.

Forsythe, Dall W. and Donald J. Boyd. (2012) *Memos to the governor: An introduction to state budgeting* (3<sup>rd</sup> ed.). Washington D.C.: Georgetown Univ. Press.

Lazenby, Scott D. (2013). *The Human Side of Budgeting: Budget Games & How to End Them*. Sandy, Oregon: Erehwon Press.

## Library Liaison (Delete if not applicable)

Essy Barosso-Ramirez ([essy.barosso-ramirez@sjsu.edu](mailto:essy.barosso-ramirez@sjsu.edu); phone # 408.808.2041)

## Course Requirements and Assignments

### *Contribution to Learning*

Students learn at least as much from one another as from their instructors in a collaborative learning community. I will probably learn as much, if not more from you. I consider each student's contribution to be a critical component of every course, so it also is a critical component of your grade. Students will contribute to learning via discussion and other in-class activities over the course of the semester. Attendance is not the primary method of measuring participation. But if students are not in class, they are not participating. Student participation in any online discussion boards will count.

## Technical Exercises

**Organizational Profile Essay.** This assignment asks you to prepare an academic essay that integrates several subject strands. Reflecting your interest of study, select for examination a local government, a medium to large nonprofit, or a medium to large health care organization.

Use all online and available resources to analyze and describe your organization(s) relative to their budgeting process and procedures. Identify and summarize the governance structure, the official(s) responsible for budget preparation and procedural compliance, and the other key actors in the budget process. Describe the budget process/ calendar and decision-making for your organization(s). Also, summarize the organizations' major revenue sources, financial systems, and community/ network context. What major budgeting or financial issue does each organization face? For what purposes and in what perspective does each organization prepare its budget?

Out of your descriptions, analysis and comparisons, identify a theme or primary argument for your essay. Write to this theme throughout the essay. Include an introduction and conclusion in your essay. The introduction should include a clear issue or thesis sentence, and some form of an organization/ structure sentence.

Maximum length for your essay is about four (4) pages. Please use APA style (no cover sheet or abstract needed), double-space your work, and include citations for all sources. Upload this assignment to the Canvas Assignments upload. We will share your learning in a small group exchange during the week the assignment is due. Bring either a paper copy of your essay, an electronic version on your device, or talking notes to support your discussion.

**Budget Funds Revenue Source.** Local governments and nonprofit organizations must often clearly segregate revenues from different sources. Cities, counties, and special districts may need to separate the revenue from a specific property tax levy, fee, or charge from general fund revenues. Grantors, including the federal government, may require governments and nonprofit organizations to establish separate accounting funds for grant or contract funded programs. Budget funds provide the analytic structures to make the necessary segregation. Isolating the revenues, expenditures and transactions for the program to a single budget fund enhances transparency and public confidence. This exercise demonstrates how budget funds combine revenues from several different sources to fund a county department. Exercise Goal: The goal of this technical exercise is to:

- Demonstrate the variety and relative importance of the different revenue sources found in public budgeting.
- Demonstrate how budget funds organize and structure the linkage between revenues and expenditures.
- Demonstrate how the beginning fund balance contributes to fund resources.
- Demonstrate the importance of the general fund to department resources.

**Technical Budget Projects:**

You will have three budget assignments. The projects are designed to help students to understand the nuts and bolts of budgeting; to identify and employ alternative sources of funding, including grants, taxes, and fees. While these are individual assignments, I encourage students to form study groups and work together on their assignments. To be graded on the Budget Exercises, you will need to post your certificate of completion of Excel Proficiency on Canvas before the first exercise.

**Take Home Exam (Budget Development Project):**

Students will be required to individually develop a budget based on a daycare budget case. By preparing the budget, students will be able to understand how to prepare a budget reflecting policy.

**Staff Budget Evaluation and Review Project (Final paper project & Presentation):**

This is a group project. Students will allocate themselves into evenly divided groups. This final project is designed for students to understand the budgetary process of government/ nonprofit organization. Students are also expected to learn how to work productively in teams. In the final group presentation, students should present oral information accurately, clearly, concisely. You will present a 10-minute power point presentation and submit the project. This assignment must include budget process, review of budget formats including revenue side of budget and expenditure side of budget, capital budget and debt and budget audit.

Success in this course is based on the expectation that students will spend, for each unit of credit, a minimum of 45 hours over the length of the course (normally three hours per unit per week) for instruction, preparation/studying, or course related activities, including but not limited to internships, labs, and clinical practica. Other course structures will have equivalent workload expectations as described in the syllabus.

**Final Examination or Evaluation**

This course uses the Budget Staff Report as the final Culminating evaluation. Students are expected to apply all learning objectives into the completion of this assignment. The assignment is due by the end of the period as designated for the courses final exam scheduled period, found on the Registrar’s website: [Fall 2022 | Class Schedules \(sjsu.edu\)](#) (Monday, December 12th).

**Grading Information**

<i>Grade</i>	<i>Points</i>	<i>Percentage</i>
<i>A plus</i>	<i>960 to 1000</i>	<i>96 to 100%</i>
<i>A</i>	<i>930 to 959</i>	<i>93 to 95%</i>
<i>A minus</i>	<i>900 to 929</i>	<i>90 to 92%</i>
<i>B plus</i>	<i>860 to 899</i>	<i>86 to 89 %</i>
<i>B</i>	<i>830 to 859</i>	<i>83 to 85%</i>
<i>B minus</i>	<i>800 to 829</i>	<i>80 to 82%</i>
<i>C plus</i>	<i>760 to 799</i>	<i>76 to 79%</i>

<i>C</i>	730 to 759	73 to 75%
<i>C minus</i>	700 to 729	70 to 72%
<i>D plus</i>	660 to 699	66 to 69%
<i>D</i>	630 to 659	63 to 65%
<i>D minus</i>	600 to 629	60 to 62%

Graded Items	Grade
<b>Contribution to Class Learning</b> (other assignments as necessary added here)	<b>10%</b>
Participation in Discussion (online and in class)	100 Points
Personal Profile and Canvas page set-up	100 points
Discussion Board Responses	100 points Each
<b>Technical Exercises</b>	<b>10%</b>
Organizational Profile (Individual Grade)	100 Points
Exercise 9.1 Budget Fund Revenue Sources (Individual Grade)	100 points
<b>Budgeting Exercises</b>	<b>30%</b>
Demonstration of Excel proficiency	CR/NC
Budget Exercise #1: Line-Item Budget	100 points
Budget Exercise #2: PPBS Budget	100 points
Budget Exercise #3: Performance Budget	100 points
<b>Mid-Term Exam</b>	<b>20%</b>
Take Home Exam: Budget Preparation Exercise <sup>5</sup>	100 points
<b>Budget Staff Analysis Group Assignments:</b>	<b>30%</b>
Staff Budget Evaluation Presentation (Group Grade)	100 points
Staff Group Peer Evaluation	100 points
Staff Budget Evaluation Paper (Group Grade)	100 points
<b>Total</b>	<b>100%</b>

### Classroom Protocol

It is expected that during class you will give the material your undivided attention. Please ensure that communication devices are on vibrate, and quietly leave the learning space if you need to take an urgent call during class. Do not engage in any behavior that will detract from a positive learning environment for other students. To develop a collegial working environment, students may address me by my go-by name, Christina.

### Make-up Policy

Serious personal or dependent family illness that can be documented is the only acceptable excuse for not turning in work on time. If you are ill, you will be given a reasonable extension for submission of missing work. There are no make-ups for missed presentations or in-class case work where you have not informed the instructor prior to or immediately after. Incompletes are discouraged. If you know you will be absent during a presentation or when an assignment is due, coordinate with your workgroup to make your contribution complete, make a video recording of your individual presentation, or complete the assignment in advance and submit prior to the absence. As with all policies, extreme circumstances may allow for exceptions. Please see me in advance before you miss an assignment.

### Participation

Students may be called upon by name to address concepts from the readings. Students should take the time and effort to read the materials when they are assigned and be prepared to actively participate in discussion of the topics, using both citations of the readings and their own defended views. Small group discussions during class will only enhance learning if each participant is prepared to contribute to the group's learning. Regular attendance is expected and will enhance your grade simply because you will have knowledge necessary to complete assignments that might not otherwise be available except from class discussion.

### University Policies

Per [University Policy S16-9](#), relevant university policy concerning all courses, such as student responsibilities, academic integrity, accommodations, dropping and adding, consent for recording of class, etc. and available student services (e.g. learning assistance, counseling, and other resources) are listed on [Syllabus Information web page](#) (<https://www.sjsu.edu/curriculum/courses/syllabus-info.php>). Make sure to visit this page to review and be aware of these university policies and resources.

## PADM 218 – Public Budgeting, Fall 2022

*The following course schedule is tentative and subject to change with fair notice. Any changes will be provided by email and/or update to Canvas.*

### Course Schedule

Week/Lesson /Module	Date	Topics, Readings, Assignments, Deadlines
1	Aug 22	<b>Topic: Class Overview - Introduction to Public Budgeting</b> 1. Introductions and Review of Syllabus and Course Requirements 2. Introductory Framing and Discussion A. Purposes of the Public Budget B. Public Budgeting as an Expression of Community Governance C. Administrative Leadership and Responsibility to the Budget Process  <b>Readings Due:</b> <i>Required:</i> PADM 218, Course Syllabus  <b>Deadlines:</b> Bring PADM 218 Course Syllabus. <b>Assign:</b> Organization Profile Essay and Canvas Personal Profile; Discuss group assignment.
2	Aug 29	<b>Topic: Public Budget Theory, Budget Cycles and Actors</b> 1. Government Budgeting in Context

		<p>2. Budget Cycles 3. Budget Process 4. Budget Actors</p> <p><b>Readings Due</b> <i>Required:</i> Morgan et al., Preface; Drastically Springing Revenues; Morgan et al., Chapter 1, 2, 4 &amp; 5; Mikesell Chapter 1</p> <p><i>Recommended:</i> Forsythe: Intro and Memo 1</p> <p><b>Deadlines:</b> Completion of Canvas Personal Profile; Confirm Staff Groups <b>Assign:</b> N/A</p>
3	Sept 5	***** <b>Labor Day</b> *****
4	Sept 12	<p><b>Topic: Budget Revenue</b> <b>Guest Speaker: TBD</b></p> <p>1. Class Discussion on End of Term Budget Project 2. Discuss Organizational Profile Essays 3. How Revenue Sources Define a Public Budget</p> <p><b>Readings:</b> <i>Required:</i> Morgan et al: Chapters 6 &amp; 8; A Budget Primer on California Cities Revenues <i>Recommended:</i> Mikesell Chapters 8-12; Forsythe: Memo 2</p> <p><b>Deadlines:</b> N/A <b>Assignments:</b> N/A</p>
5	Sept 19	<p><b>Topic: Capital Budgeting and Capital Improvement Plan</b> <b>Guest Speaker: Chris Ghione, Public Services Director</b></p> <p>1. Capital Budgeting Overview</p> <p><b>Readings Due:</b> <i>Required:</i> Morgan et al Chapter 16; Patricia Wing Spring and Thomas D. Lynch: Capital budgeting practices in local government: Comparative Study of Two States in <i>Case Studies in Public Budgeting and Finance</i>. 241-254; Johnson and Mikesell 1996 “The Orange County Debacle: Where the irresponsible cash and debt management practices collide <i>Recommended:</i> Mikesell Chapter 7</p> <p><b>Deadlines:</b> N/A <b>Assignments:</b> N/A</p>
6	Sept 26	<b>Topic: Budget as Technical &amp; Strategy Tool-Policy</b>

		<p><b>Making, Logic, Processes, &amp; Cycles</b>  <b>Guest Speaker: TBD</b></p> <ol style="list-style-type: none"> <li>1. In-Class Work Session: Exercise 9.1. Compare Revenue Sources by Budget Funds</li> <li>2. Revenue and Financial Forecasting <ul style="list-style-type: none"> <li>• Financial Planning and Sustainable Budgeting</li> <li>• Financial Forecasts for Revenues &amp; Expenditures</li> </ul> </li> <li>3. Sidebar: Revenue Forecasting in California:  Revenues will be short:  <a href="https://www.sacbee.com/news/politics-government/capitol-alert/article77469787.html">https://www.sacbee.com/news/politics-government/capitol-alert/article77469787.html</a>  Revenues exceeded expectations:  <a href="https://www.sacbee.com/news/politics-government/capitol-alert/article224239660.html">https://www.sacbee.com/news/politics-government/capitol-alert/article224239660.html</a> </li> <li>4. Roots of Budgeting Basic Terms and Concepts Discussion</li> <li>5. Financial Policies</li> <li>6. Organizational Plans and Budgets</li> </ol> <p><b>Readings Due:</b>  <i>Required:</i> Morgan et al, Chaps. 9 and 10  <i>Recommended:</i> Forsythe: page 103; Mikesell Chapter 2 &amp; 3; Morgan et al. Chapter 3; “Pricing public services”</p> <p><b>Deadlines:</b> Organizational Essay Due  <b>Assignments:</b> Exercise 9.1 Budget Fund Revenue Sources</p>
7	Oct 3	<p><b>Topic: Federal Governmental Structures &amp; Institutions</b></p> <ol style="list-style-type: none"> <li>1. <b>Class exercise- Fix the Federal Budget:</b> Today, you’re in charge of the nation’s finances. Some of your options have more short-term savings and some have more long-term savings.  <a href="https://www.federalbudgetchallenge.org/pages/overview">https://www.federalbudgetchallenge.org/pages/overview</a></li> </ol> <p><b>Readings Due:</b>  <i>Required:</i> Yourish, Karen, and Stanton, Laura. “A guide to the federal budget process.” The Washington Post, February 2010. <a href="http://www.washingtonpost.com/wp-srv/special/politics/federal-budget-process/budgetprocess.pdf">http://www.washingtonpost.com/wp-srv/special/politics/federal-budget-process/budgetprocess.pdf</a>;</p> <p><i>Recommended:</i> Mikesell Chapter 4 and Chapter 5;</p> <p><b>Deadlines:</b> Post Demonstration of Excel Proficiency  <b>Assignments:</b> N/A</p>
8	Oct 10	<p><b>Topic: Budget Preparation, How to Read a Budget, &amp; Line Item Budgets</b></p> <ol style="list-style-type: none"> <li>1. The Executive’s Budget Program: Preparing the</li> </ol>



		<p>Community to Budget</p> <ol style="list-style-type: none"> <li>2. The Executive’s Budget Program: Budget Process Planning and Instructions</li> <li>3. Introducing Expenditure Formats: Operating and Capital Budgets</li> <li>4. Expenditure Formats: Line-item/ Object Code Basic Template</li> <li>5. Discuss Excel and budgets</li> <li>6. Introduce Exercise 11.2 &amp; Short Work Session <ul style="list-style-type: none"> <li>• Line-item Budget Exercise 11.2</li> </ul> </li> </ol> <p><b>Guest Speaker: TBD</b></p> <p><b>Readings Due:</b>  <u>Required:</u> Morgan et al: chapters 11</p> <p><u>Recommended:</u> Mikesell Chapter 6</p> <p><b>Deadlines:</b> Exercise 9.1 Budget Funds Revenue Sources  <b>Assignments:</b> <i>Budget Exercise #1</i> -Line Item Budgeting  Exercise 11.1 Line Item Incremental</p>
9	Oct 17	<p><b>Topic: PPBS Budgeting</b></p> <ol style="list-style-type: none"> <li>1. Return Graded Exercise 9.1-Discuss</li> <li>2. Discuss Line Item budgets</li> <li>3. In-Class Exercise Work Session <ul style="list-style-type: none"> <li>• Discuss Line-item Budget Example and Exercise 11.2</li> </ul> </li> <li>4. Current Services Base (CSB) <ul style="list-style-type: none"> <li>• Current Services Base Computation</li> </ul> </li> <li>5. Sidebar: PERS Status and Implications</li> <li>6. Discussion - limited revenues/ forecast</li> <li>7. Incrementalism and Constrained Decision Space <ul style="list-style-type: none"> <li>• Muddling Through—Branch Decision Making</li> <li>• Personnel Position Listing and Personnel Costing</li> <li>• Total Employer Compensation Costs</li> <li>• Public Personnel Benefits Costs</li> <li>• Labor Contracts Establish Relatively Static Costs</li> <li>• Purchasing Contracted Services</li> </ul> </li> <li>8. Expenditure Formats: PPBS/Program Budget Format <ul style="list-style-type: none"> <li>• PPBS Budget History and Concepts</li> <li>• Integration with Organizational Strategic and Operational Planning</li> <li>• Extending PPBS to the Community Level and Network</li> <li>• Schick Reading</li> </ul> </li> </ol> <p><b>Readings Due:</b>  <u>Required:</u> Morgan et al 12</p>

		<p><u>Recommended:</u> Forsythe: Memo 3</p> <p><b>Deadlines:</b> <i>Budget Exercise #1</i> -Line Item Budgeting Exercise 11.1 Line Item Incremental</p> <p><b>Assignments:</b> <i>Budget Exercise #2- PPBS Based Budgeting</i></p>
10	Oct 24	<p><b>Guest Speaker: TBD</b></p> <p><b>Topic: Class time devoted to Discussing Line-item Exercise and working Program Budget Exercise.</b></p> <p><b>Required Reading: N/A</b></p> <p><b>Deadline: N/A</b></p> <p><b>Assignment: N/A</b></p>
11	Oct 31	<p><b>TOPIC: Performance Budgeting</b></p> <p><b>Guest Speaker: TBD</b></p> <p>1. In-Class Work Session: Issues with Exercise 12.1 2. Expenditure Formats: Performance Budgeting Performance Budgeting Mechanics</p> <p><b>Readings Due:</b> <u>Required:</u> Morgan et al: chapter 13</p> <p><u>Recommended:</u> Lazenby: chapters 1-4;</p> <p><b>Deadlines:</b> Budget Exercise #2: Exercise 12.1 PPBS/ Program Budgeting</p> <p><b>Assignment:</b> <i>Discuss &amp; Issue Mid Term Exam</i></p>
12	Nov 7	<p><b>Topic: Performance and Zero-base Budgeting</b></p> <p>1. Questions on Exercise 12.1 PPBS 2. Performance Budgeting Examples: 3. Expenditure Formats: Zero-base Budgeting for Innovation and Reductions</p> <p><b>Readings Due:</b> <u>Required:</u> Morgan et al: Part III Summary &amp; chapter 14</p> <p><u>Recommended:</u> Lazenby: chapters 5 &amp; 6; Forsythe: Memos 4, 5 &amp; 6</p> <p><b>Deadline:</b> Midterm Exam</p> <p><b>Assignment:</b> Budget Exercise #3: 13.1 Performance Based Budget</p>
13	Nov 14	<p><b>Topic: Class Devoted to discussion Mid-Term Exam and working the Performance Budget exercise</b></p> <p><b>Reading Due: N/A</b></p>

		<p><b>Deadlines:</b> Budget Exercise #3: 13.1 Performance Based Budget Due</p> <p><b>Assignment:</b> N/A</p>
14	Nov 21	<p><b>Topic: Planning, Adoption, Execution, Assessment</b></p> <ol style="list-style-type: none"> <li>1. Preparation of Department Request</li> <li>2. In-Class Exercise: Deconstruct Budget Transmittal Letters</li> </ol> <p><b>Readings Due:</b></p> <p><u>Required:</u> Morgan et al: chapter 15 &amp; 18; Stene 1957 Seven Letters: Reading will be available in the Canvas</p> <p><u>Recommend:</u> Lazenby: chapters 7 &amp; 8; Forsythe: Memo 7, 8 &amp; Final Words</p> <p><b>Deadlines:</b> N/A</p> <p><b>Assignment:</b> N/A</p>
15	Nov 28	<p><b>Topic: Local Budgeting for the Common Good</b></p> <ol style="list-style-type: none"> <li>1. Executive and CFO Decisions for a Proposed Budget</li> <li>2. Discussion: Return to the Purpose of Public Budgeting</li> <li>3. Break &amp; Course Evaluation</li> <li>4. Course Closing: Final Words</li> </ol> <p><b>Readings Due:</b></p> <p><u>Required:</u> Morgan et al. Chapter 19</p> <p><u>Recommended:</u> Lazenby: chapters 9 &amp; 10, appendix</p> <p><b>Deadlines:</b> N/A</p> <p><b>Assignment:</b> Confirm order of Presentation</p>
16	Dec 5	Staff Paper Presentation
Final Exam	Dec 12	Peer evaluations & Staff Paper Submissions