
Politics of Public & Nonprofit Budget

PLSC 352, Fall 2018

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Objectives

This is an introductory course in governmental and non-profit budgeting and presumes no previous coursework in the subject. Students are expected to have some familiarity with governmental institutions and processes at local, state, and national levels here in the U.S. If you have completed the Introduction to Public Administration (PLSC 270), you were introduced to some of the topics.

Some specific course objectives include:

- 1) to explain the background and development of public and non-profit budgeting in the U.S.;
- 2) to identify different perspectives on budgeting;
- 3) to examine the political context of budgeting, including actors, roles, and strategies;
- 4) to identify alternative approaches to doing budgeting; and
- 5) to describe current issues and problems in public and non-profit budgeting.

The class will follow the outline below, recognizing the need for flexibility. Assigned readings should be completed prior to class, since a lecture/discussion format will be used, including use of discussion questions in class, some online exercises, and brief online discussions designed to stimulate thinking about and understanding of the budget process.

Required Texts

Musell ISBN: 978-0-415-99012-7 Understanding Government Budgets: A Practical Guide

and are available online and at campus bookstores. The e-copy works fine and costs much less. I will occasionally distribute additional handouts and reading material. It is essential that you make sure that if you must miss class you arrange to pick up any handouts. You will also find that reading a daily newspaper online or print version will both help you keep up with the ideas presented in class and to prepare the paper that is due toward the end of the semester. In addition, many of you will undoubtedly find that reading about local budget politics can be fun. Many budget issues are covered quite well in local papers, and articles from various newspapers will be used as springboards for class discussion.

Grading

Grading will be based on two exams, a mid-term worth 35% and a final worth 35% of your overall grade. Online work will make up the other 30%. Class attendance is expected; exams and online works are due as noted in the outline and as defined in class. Make-ups for exams

and/or late work will be accepted only for “cause” and that will be determined by the instructor upon presentation of adequate documentation or other evidence at the sole discretion of the instructor. In our discussion, areas of focus for test preparation will be highlighted, and the course outline contains many questions which should prepare you to take the tests.

Given that the online assignments comprise 30% of your grade, they will be discussed frequently in class. Problems, illustrations, and interesting observations made in the course of your research are always useful items to bring up in class. Also, I am available outside of class to give extra help to make your work successful.

EMU Writing Support: The University Writing Center (115 Halle Library) offers one-to-one writing consulting for both undergraduate and graduate students. Students can make appointments or drop in between the hours of 9 a.m. and 6 p.m. Mondays through Thursdays and from 11 a.m. to 4 p.m. on Fridays. Students should bring a draft of what they’re working on and their assignment. The UWC also offers small group workshops on various topics related to writing (e.g., Reading in College: Tips and Strategies; Incorporating Evidence; Revising Your Writing). Workshops are offered at various times Monday through Friday in the UWC. To register for a workshop, click the "Register" link from the UWC page at <http://www.emich.edu/english/writing-center>.

The Academic Projects Center (116 Halle Library) offers one-to-one consulting for students on writing, research, or technology-related issues. No appointment is required – students can just drop in. The APC is open 11-5 Monday-Thursday. Additional information about the APC can be found at <http://www.emich.edu/apc>. Students visiting the Academic Projects Center should also bring with them a draft of what they’re working on and their assignment sheet. 3 The UWC also has several satellite sites across campus—in Sill Hall for COT students; in Marshall for CHHS students; in Pray-Harrold for CAS students; in Porter for CHHS and COE students; and in Owen for COB students. The locations of these sites and their hours will be posted on the UWC web site <http://www.emich.edu/english/writing-center>.

Classroom Conduct: Students should conduct themselves in ways that are consistent with promoting an efficient learning environment for themselves and everyone else. Students should be conscientious, helpful, properly motivated to learn, honest, and respectful of others and their opinions at all times. Such conduct is consistent with generally regarded norms of professionalism, including those found in graduate, professional degree programs. If a student “commits the offense of disorderly conduct when he/she does any act (e.g. being disobedient) in such unreasonable manners as to alarm or disturb another and to provide a breach of peace,” the professor reserves the right to deduct points for inappropriate conduct and refer the student to the University for further investigation of the matter. The professor also reserves the right to excuse the student from class for the remainder of the semester and give the student a letter grade of “F” for the course.

University Policies: Students With Disabilities: If you wish to be accommodated for your disability, EMU Board of Regents policy #8.3 requires that you first register with the Access Services Office (ASO) in room 203 King Hall. You may contact ASO by telephone at (734) 487-2470. Students with disabilities are encouraged to register with ASO promptly as you will only be accommodated from the date you register with them forward. No retroactive accommodations are possible. Notice to all foreign students (F and J visa): To comply with all federal regulations,

please contact the EMU office of International Students (OIS), 244 EMU Student Center, 734.487.3116

Academic Honesty: Each student in class is expected to adhere to the highest standards of academic honesty. Cheating and plagiarism violate the rules of the University and the ethical standards of professional public administration. Cheating and plagiarism will be punished to the full extent allowed by University rules and regulations. Plagiarism is generally defined in your student handbook as presenting as your own work that done by someone else, even if only an idea and/or not quoted directly. Cite, quote, and when in doubt, ask the instructor. Those caught cheating will be given a zero for the work in which the cheating occurred. Possible plagiarism will be dealt with on a case by case basis. In addition, you may be referred to the Office of Student Judicial Services for discipline that can result in either a suspension or permanent dismissal. The /Student Conduct Code/ contains detailed definitions of what constitutes academic dishonesty, and it can be accessed online at <http://www.emich.edu/studentconduct/>

Observance of Religious Holidays University Policy: Eastern Michigan University recognizes the rights of students to observe religious holidays without penalty to the student. University Practice: Students will provide advance notice to their instructors in order to make up work, including examinations that they miss as a result of their absence from class due to observance of religious holidays. If satisfactory arrangements cannot be made with the appropriate instructor(s), students may appeal to the head(s) of the department(s) in which the course(s) is/are offered. There are many resources on line regarding the observance of religious holidays; here is one site with an extensive listing of holiday dates:

<http://www.interfaithcalendar.org/2013.htm>

Students with Disabilities: If you wish to be accommodated for your disability EMU Board of Regents policy #8.3 requires that you first register with the Access Services Office (ASO) in room 203 King Hall. You may contact ASO by telephone at (734) 487-2470. Students with disabilities are encouraged to register with ASO promptly as you will only be accommodated from the date you register with them forward. No retroactive accommodations are possible.

In addition to the articulated course specific policies and expectation, students are responsible for understanding all applicable university guidelines, policies, and procedures. The EMU Student Handbook is the primary resource provided to students to ensure that they have access to all university policies, support resources, and student's rights and responsibilities. Changes may be made to the EMU Student Handbook whenever necessary, and shall be effective immediately, and/or as of the date on which a policy is formally adopted, and/or the date specified in the amendment. Electing not to access the link provided below does not absolve a student of responsibility. For questions about any university policy, procedure, practice, or resource, please contact the Office of the Ombuds: 248 Student Center, 734.487.0074, emu_ombuds@emich.edu, or visit the website at www.emich.edu/ombuds.

[CLICK HERE to access the University Course Policies](#)

The instructor reserves the right to amend the syllabus as necessary.

Topic and Assignment

Week 1	Instructor and student introductions; course requirements; definitional and perceptual issues; why budgets are important; overview.
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What is a budget? Why do we budget? Who is involved in budget decisions? What is the process? Why is it important to study public sector budgets and budgeting?

Week 2 The purposes of budgeting; differences between public and private budgeting; budget terms, data, and analysis. Nice Ch 1

What is the difference between public sector, non-profit sector, and private sector budgets? Why is this important? What do we mean by budget classification? What kind of information is in a budget? How is it organized and presented? How do we interpret this information?

Week 3 Budget decision-making, theories of budgeting; incrementalism and rationality in budgeting; analysis and strategies in decision-making.

How do we make budget decisions? What do we mean by the term incremental? What would a “rational” budget process be like? What are the constraints on rational budget making? What kinds of analysis are useful in budgeting? What are the limits to such analysis? Online handout: Wildavsky, Budgetary Process, Nice Ch 2 and 3

Week 4-5 Macroeconomics and public budgeting – perspectives from public finance; the role of government in the economy, the impact of the economy on the budget? The size and composition of the budget/public sector? What constitutes a “good” revenue system. Online handout: Smith and Lynch Public Budgeting in Context

Why do we have government, anyway? Has government spending grown? Why? What factors have contributed to spending growth? How does the economy influence the budget? How does government influence the economy? What sources of revenue are used to support government spending? What is a “good” revenue source? What has been happening to Michigan’s budget this past year?

Week 6 An overview of the budget processes – some similarities and differences across Governments and non-profits; timing problems in the budget cycle. Nice 4

Is there a pattern to budget processes across levels of government? Who are the participants, what do they do, what are the STAGES of the budget process? What is unique or special about the budget process at national, state, and local levels?

Week 7 **Midterm Exam**

Week 8 Budget preparation; alternative formats; departmental roles; the power of the Chief Executive; informal actors. Online handout: Wildavsky: Budget Strategy and Coping;

Who and what is involved in budget preparation? What is the difference between bottom-up and top down budgeting? What are the products of the budget preparation process? While predominately an executive branch responsibility, who else is involved in the budget preparation process?

Week 9 Legislative review and approval; a fragmented process; the role of intermediates and/or legislators; the role of the chief executive, other actors.

Who and what is involved in budget approval? Why is it so difficult for legislators to reach agreement on a budget? What are the differences between legislative review and approval at the national as opposed to the state and local level? What is the impact of the item veto power on legislative review? Who is Dr No in the budget process?

Week 10 Budget execution and financial management; control over the spending process and discretion in spending; accounting, audits

Budgeting involves more than planning or forecasting – it involves using the budget once adopted to guide spending decisions. How is the budget a control mechanism? What are the various approaches to insure fiscal control and budget management? How do accounting systems work? What kind of information is provided to decision-makers? What are the purposes of an audit? How do we evaluate the success of governmental programs?

Week 11 Reforming the budget process; budget issues.

Budgets have been changing since the early part of the 1900's when the national government adopted what we now call the "executive budget system." What are the key reforms being recommended now? How would they work? What do we mean by performance based budgeting?

Thanksgiving Break

Week 12 Beginning to End: How do Public administrations and Non-Profits differ in their usage of budget tools to be prepared years ahead?

Week 13 Why in the world would anyone want to be a "budget person"? Job opportunities, policy involvement, service – where do you fit into the system?

Week 14 Wrap up anything left undone.

Final