

Public Sector Budgeting
POLS 4325/5325
Fall 2017

Professor:

Robert A. Cropf, Ph.D.

cropfra@slu.edu

314-977-3936

MacGannon Room 154

or contact Mary Lapusan to make an

appointment: lapusanm@slu.edu, 977-5564

Office Hours: Mondays 4:00—6:30

Meeting times:

Mondays: August 28; September 11, 18, 25; October 2, 9, 16, 30; November 6, 13, 20, 27;

December 4, 11. The class meets from 7:15 to 10:00 pm.

Meeting Location:

MacGannon Rm. 122

Course Prerequisites:

No prerequisites for graduate students.

Textbooks:

Budgeting: Politics and Power, Second Edition by Carol Lewis and W. Bartley Hildreth,
Oxford University Press; 2 Edition (December 14, 2012).

Other materials on BlackBoard.

Course Description:

This course will focus on budgeting at all levels of government as well as the economic and political aspects of budgeting. It also features an evaluation of the city of St. Louis, MO, budget and case-studies of the city's pension system and Fire/EMS budget. The primary focus is understanding the political dimension of budgeting but there is also a very important "hands-on" element with the St. Louis City analysis and case studies.

Goals of the Course:

This course will give students an introduction to Public Sector Budgeting. Students will not only learn how the public administrator or nonprofit executive can use budgeting as a financial and management accounting tool but as a leadership enabler in developing and deploying policy in the public or nonprofit organization's work.

The course will also provide you familiarity with the process of public budgeting and with the

terms that shape its language. You will learn about issues that affect the budgeting process, such as politics, political ideas and traditions, and policy analysis. You will also have the opportunity to explore public budgeting from the viewpoint of a local municipality as the ultimate intent of the course is to help you to formulate your own public budgeting beliefs, attitudes and instill an understanding of the process.

By the end of the course students will *understand* public budgeting as a dynamic process, which, with all its failures and challenges, provides a tool for helping governments govern. The intent of this course is to change what you notice and think about and how you comprehend the world of public budgeting—and to change what you *do* as you navigate through that world of budgeting. If the class is successful, you will be better able to deliver on your role as public administrator or non-profit executive. The objective of this course is not just to improve your understanding of the world of public budgeting, but also to improve your understanding of how you can use public budgeting in the engagement of public policy analysis and administration.

Learning Objectives:

After taking the class, students will be able to 1) Describe how and why public budgeting is much more than the collecting and managing of public money that represents how tax dollars are collected, money borrowed and spent by public sector and nonprofit entities; 2) Describe how and why the budgeting process can be used as a communication tool in connecting the elected leaders with the constituents; 3) Evaluate the public budgeting process as a lever aligning problems, politics and solutions; 4) Describe how and why the public budgeting process can help launch the public sector down the path of successful performance management.

In light of the above goals and objectives, it is important that you do *all* the readings and writing assignments. The readings are well done and cover the subject of public budgeting and policy analysis in a fun and interesting way. (I realize that's my opinion!) It is also useful if you actually think about how this material applies to you in your current life as well as in your future career. Learning the material requires actively engaging with it. The easiest way to do this is by reflexively applying the principles and ideas of budgeting when you're watching, reading or listening to a story about government and public policies.

How to Get the Most Out of the Class:

1. *Involvement and Engagement.* To accomplish our objectives, we need to be partners in the learning process. The currently available empirical evidence suggests that instructor ratings (as a measure of teaching) and student learning (as assessed on objective tests) are completely uncorrelated. That is not surprising as teaching and learning are two separate activities. Teaching is what we do; learning is what you do. The class is yours and ours. One way of understanding our job is that we play the role of your “personal knowledge facilitator.” I will do my best to make available to you the tools—the readings, a classroom environment conducive to teaching, and candid discussions that have as their aim a motivating and encouraging climate.

But learning is *your* responsibility. Moreover, it is *your* responsibility to decide what is important for you to learn and retain, and how best to do that. When you subsequently need to put the material of this course into practice, you probably won't have the notes, handouts, the books, or the professor sitting nearby. It is, therefore, important that you will work to *internalize* the learning, ideas, and the feelings and beliefs about the budgeting process that

you develop during this course. Remember, it is your class, so it is your responsibility to make the most of the opportunity.

2. **Education and Learning.** Education is about seeing new things, or seeing the same things differently. Therefore, the materials and ideas that form the basis for much of the course material have been selected because they actually *do challenge* many aspects of conventional wisdom or the taken-for-granted assumptions that many people hold about the subject of public budgeting, especially given the most recent media attention on this nation's debt ceiling and lack of budget management. The ideas and concepts are well grounded in literature in the behavioral and social sciences. If some of the readings or discussions disagree with your ideas or cause you to feel uncomfortable, that is part and parcel of the learning process. The intent is to help you find your unique DNA when it comes to the American form of government by the people and for the people and the role that public budgeting plays in that ideal.
3. **Critical Thinking.** The class sessions will explicitly ask you to answer a question that is a product of the reading assignments. Our goal is help you learn how to think and write about a subject each week of the course.

Course Outline

Class grade breakdown:

10% –Attendance, engagement, and participation in the classroom.

40% – Reflection / Experience / Action on the City of St. Louis. This portion of the grade will be based on your analysis of the case studies and policy recommendations in the in-class presentations on the last day of class on December 11 and your research on the community ahead of time.

20% - Midterm Examination- take home exam due on Oct.30

30% – Final Examination –take home exam due on Dec.18.

St. Louis City Budget Assignment:

This year we will be working with a group of St. Louis policy leaders headed by former St. Louis mayor, Hon.Vincent Schoemehl. Members of the group will be guest speakers, work with students, and attend the group presentations on the last night of class.

The city is struggling with a host of economic issues that affect the quality of life for the city's residents and for the region's economy. The city's population is 315,685, which marks a significant drop from the high point of 856,796 in 1950. The poverty rate is 24.9%, significantly higher than Missouri's poverty rate (15.5%) and the U.S. poverty rate (14.3%). During the recent recession, the city's unemployment rate hovered around 11-12%. It is currently below 5% but the city's economy hasn't fully recovered from the last downturn. However, some of St. Louis'

economic and fiscal woes are the result of policy decisions made by the city’s political leadership over many years.

Every government, local, state or the federal, are required by law to present a public budget. All governments, except the federal, have to have a balanced budget. St. Louis is no exception. Our assignment this year is to help St. Louis as it struggles with its longterm fiscal future. We will focus on two major areas of the city’s fiscal situation: pensions and Fire/EMS in this course. These two areas have had and will continue to have a tremendous impact on the city’s longterm fiscal health.

The whole assignment will consist of two policy memos and a final PowerPoint presentation. The first memo will be due in week 6, the second will be due in week 11. The final team presentations should be in Power Point, including your charts and figures.

First memo: Describe St. Louis’ fiscal situation based on the guest lectures and your own research. Take a big view of the situation, in other words, compare where you think the city is today to where it was five years ago and where you think it will be five years from now. What do the spending patterns suggest in terms of the city’s needs? How can the budget help to move the city where it needs to go? What are some obstacles to it’s progress? Dig deep into the demographic picture.

For example, is the city’s population getting older? Is the city’s racial profile likely to change or stay the same? How will this affect the city’s spending priorities? This memo should be around 500-550 words in length (Due by the start of class on Oct.16.)

Power Point Presentation: Now is the time that you will start to take a closer look at the city’s longterm fiscal situation by focusing on two issues that have a huge impact on the budget. For this assignment and the next two, the class will be divided into two groups. One group will research the city’s pension system and the other group will research the city’s Fire/EMS functions. You will receive the questions to guide you on your research ahead of time. You will need to work with the liaisons assigned to your teams to complete this and the next assignment. (Due by the start of class on Dec.11.)

Class Schedule:

Each class will be comprised of approximately two and half hours of lecture/discussion which will include a discussion of that week’s readings.

Reading assignments and catalog of questions:

Date	Readings by Week	Reading Assignments:	Class Discussion Topics:
Aug.18	Week 1	None	What is budgeting? What is the difference between private, or personal, budgeting and public budgeting? Overview of St. Louis city budget and the project (guest speakers)
Sept. 11	Week 2	Lewis & Hildreth (Introduction, Ch.1); BlackBoard materials	What are the most significant budgeting issues facing the St. Louis metropolitan area? Discussion of St. Louis pension systems and Fire/EMS issues (guest speakers)
Sept. 18	Week 3	Lewis & Hildreth (Ch.2); Policy Brief: Participatory	What is the role and responsibility of public budgets

		Budgeting at the City Level	process? (http://www.participatorybudgeting.org/wp-content/uploads/2013/11/citylevelpbmemo1.pdf)
Sept 25	Week 4	St. Louis city Budget and other materials; Lewis & Hildreth (Ch.9)	How to read a local budget. How is a local budget different from the national budget?
Oct. 2	Week 5	Lewis & Hildreth (Ch.3)	What tools do those that govern at the federal level have available to grow the economy? Recommend a fiscal policy for today's national economic situation. First policy memo due
Oct.9	Week 6	Rothstein, The Making of Ferguson	How do public policies set at the national, state and local government levels affect metropolitan areas? How do historical choices come to determine where we live today? What are the budgetary impacts of these policies and historical choices?
Oct. 16	Week 7	Lewis & Hildreth (Ch.4)	What drives the executive budget--the available tax revenues or the expense obligations made by those who govern? Take-home midterm due.
Oct. 30	Week 8	Lewis & Hildreth (Ch.5)	Formulating a budget proposal is somewhat like trying to build a bridge while walking on it in the middle of a tornado. State budgets have to be balanced. Why not the federal budget? Take-home midterm due
Nov.6	Week 9	Lewis & Hildreth (Ch.6), ICMA Case Study: Investing in Results	Why is cutting deficits politically popular and cutting programs not?
Nov. 13	Week 10	Lewis & Hildreth (Ch.7)	Why do we pay for Public Services? Who makes revenue policy? How do taxes work?
Nov. 20	Week 11	Lewis & Hildreth (Ch.8)	What Is Capital Budgeting and why is it important? Why debt is not always bad
Nov. 27	Week 12	Lewis-Hildreth (Ch.10)	Why is budgeting important for democracy?
Dec.4	Week 13	Salvation Army Takeover Case Study ; Open Data Case Study	Does leadership matter for successful budgets? Can Open Data make public budgets more transparent?
Dec. 11	Week 14	Turn in Power Point	What are the ends of public decision? Present before panel.
Dec. 18	Week 15	Final exam due at 5:00 p.m.	

Grading Scale

Letter Grade	Percentage
A	93-100
A-	90-92
B+	87-89
B	83-86
B-	80-82
C+	77-79
C	73-76

C-	70-72
D	60-69
F	<60

I reserve the right to make alterations in the grading of the assignments, i.e., the final points breakdown of each assignment based on unforeseen circumstances that may arise during the semester.

Attendance Policy:

Your success in this course will depend on your ability to complete the assigned reading and weekly writing and discussion assignments. Absence in three classes without a reason that is out of the control of the student will result in a one level drop in the final grade (i.e. illness, work conflict, medical emergency, etc.)

Courtesy Expectations:

Students will treat their classroom obligations as they would treat any serious professional engagement. That includes:

- 1) Preparing thoroughly for each session in accordance with the instructor's request;
- 2) Adhering to deadlines and timetables established by the instructor;
- 3) Providing constructive feedback to faculty members regarding their performance.

Students with Special Needs - Disability Services

<http://www.slu.edu/x24491.xml>

Any student who feels that he/she may need academic accommodations in order to meet the requirements of this course—as outlined in the syllabus, due to presence of a disability, should contact the Office of Disabilities Services <<http://www.slu.edu/x24491.xml>>. Please telephone the office at 314-977-8885, or visit Suite 331 in the Busch Student Center. Confidentiality will be observed in all inquiries.

Academic Integrity Syllabus Statement

Academic integrity is honest, truthful and responsible conduct in all academic endeavors. The mission of Saint Louis University is "the pursuit of truth for the greater glory of God and for the service of humanity." Accordingly, all acts of falsehood demean and compromise the corporate endeavors of teaching, research, health care, and community service via which SLU embodies its mission. The University strives to prepare students for lives of personal and professional integrity, and therefore regards all breaches of academic integrity as matters of serious concern.

The governing University-level Academic Integrity Policy was adopted in Spring 2015, and can be accessed on the Provost's Office website at:http://www.slu.edu/Documents/provost/academic_affairs/University-wide%20Academic%20Integrity%20Policy%20FINAL%20%20206-26-15.pdf.

The college policy is found on the College Website at:
<http://www.slu.edu/college-of-arts-and-sciences-home/undergraduate-education/academic-honesty>.

Examples of such unauthorized and, therefore, academically dishonest assistance would be:

- a. copying from another student's test paper, lab report or assignment, or allowing another student to copy from oneself;
- b. copying from a textbook or class notes during a closed-book exam;

- c. submitting material authored by another person but represented as the student's own work;
- d. submitting as one's own work/material without permission of the instructor that has been subjected to editorial revision;
- e. copying a passage or text directly from a book or journal without indicating the source or without using a recognized style for citing sources;
- f. taking a test or writing a paper for another student;
- g. taking a course for another student or securing another student to take a course for oneself;
- h. securing or supplying in advance a copy of an exam without the knowledge and consent of the instructor.

Faculty and students are encouraged to use the following links regarding any concerns or questions relating to academic integrity and plagiarism: <http://itr.slu.edu/CTEplagiarism.html> and <http://academicintegrity.slu.edu/>

Cell Phones, pagers, laptops and tablets

Turn off cell phones and pagers unless you are on standby for emergency reasons, and if so, you must advise the instructor. Laptops and tablets may be used to view course material from SLUGlobal or to take notes. Browsing the web, checking email and similar activities are not acceptable use of computers during class time. Students who abuse this policy will have their devices confiscated during the class and returned afterwards.

Availability of Instructor

If a student has any questions or issues regarding the course, it is up to the student to convey this to the instructor. Inability to contact the instructor will never be viewed as a valid excuse under any circumstance in this course.

We may be reached by phone or by e-mail (e-mail is preferred). Dr. Cropf checks his SLU email every day His hours are by appointment and must be scheduled with Mary Lapusan (see above). Our phone numbers and email addresses are on the front page of the syllabus. No guarantee that phone messages or emails will be answered during the evening or on weekends or holidays. You may anticipate responses within 24 hours from Dr Cropf.

Course Evaluations

Everyone will fill out the Dept of Political Science paper evaluation forms. This means that SPS students will need to fill out two evaluation forms, the one online for SPS and a paper evaluation form. The course evaluation will be filled out on the last night of class before the final exam.

Title IX Syllabus Statement

Saint Louis University and its faculty are committed to supporting our students and seeking an environment that is free of bias, discrimination, and harassment. If you have encountered any form of sexual misconduct (e.g. sexual assault, sexual harassment, stalking, domestic or dating violence), we encourage you to report this to the University. If you speak with a faculty member about an incident of misconduct, that faculty member must notify SLU's Title IX coordinator, Anna R. Kratky (DuBourg Hall, room 36; akratky@slu.edu; [314-977-3886](tel:314-977-3886)) and share the basic facts of your experience with her.

The Title IX coordinator will then be available to assist you in understanding all of your options and in connecting you with all possible resources on and off campus.

If you wish to speak with a confidential source, you may contact the counselors at the University Counseling Center at 314-977-TALK. To view SLU's sexual misconduct policy and for resources, please visit the following web addresses:

<http://www.slu.edu/general-counsel-home/office-of-institutional-equity-and-diversity/sexual-misconduct-policy>
www.slu.edu/here4you .

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