

UNIVERSITY OF GEORGIA

PADP 6930
Public Financial
Administration

Call# 38724



Fall Semester, 2019
Wednesdays, 3:35-6:35 pm
UGA Athens Campus, Baldwin Hall, 101D
August 14-December 4, 2019

Office Hours:

Mondays & Wednesdays, 1:00-3:00 pm

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Overview

This course covers the budgetary process in governments around the world, including that conducted by national and sub-national ones. The activities involved in the collection, custody and expenditure of public revenue, such as the assessment and collection of taxes, public borrowing and debt administration, the preparation and enactment of the budget, financial accountability and auditing are addressed, as well. The relationships among executive, legislative and judicial branches of governments in terms of developing and executing budgets are examined. The effects on public budgets from citizen scrutiny and decision participation as well as media focus are introduced and assessed. The possibilities for public budgets to advance human rights and community prosperity are considered in the final portion of this course.

Expectations

Students are expected to have several competencies when they enroll in this course. First, students should be well versed in the general workings of U.S. governments, their structures, the policy process, and the tension between bureaucracy and democracy. Second, students should be comfortable reading original social science research. Students should understand the general structure of an academically oriented research article and be able to consume quantitative and qualitative research. Students are not expected to understand all of the statistical analyses and techniques that they read. However, students should make an effort to understand the findings and general conclusions of such work. Statistics and analytical techniques are covered in PADP

7110 and 7120. Students are expected to ask questions when methodological issues are not clear. Third, students should have skill in using spreadsheet software and in making basic mathematical calculations.

For support, the University offers many online training videos to help build skills and improve knowledge. Log in to [LinkedIn Learning at UGA](#) and access videos related to Excel training. Become an expert in WORD and EXCEL by accessing relevant videos at this resource. You can also search other topics that can provide some added value in the study of public financial administration, in spite of the fact that much material relates to private or nonprofit budget, fiscal and performance information management. Consider videos on the following topics:

- Financial risk management solutions
- Financial management and accounting (related to nonprofits)
- Measuring team performance
- Program budgeting and management

Develop your research skills. Professional work requires professional sources. This link lets you access the [UGA Library](#) from any location. Access **SERVICES Help & Support** from the Library Homepage to learn about all the resources for conducting research that the University Library offers. Practice using [Google Scholar](#). The library and Google Scholar are but a few of the resources available to you and essential for studying public budgeting and financial administration. This is a writing intensive course and class participation is an expected and highly valued part of student responsibility to the course. Students should not enroll in this course if they expect to have significant professional, personal, or travel-related conflicts. This graduate-level course requires substantial reading and preparation, in-class group and individual work, written assignments and three written essay exams that include some budget analysis requiring calculations. Missing multiple class sessions will make it impossible for students to remain up-to-date on the material and contribute well to learning results. Student participation in groups and individually, in class sessions and when engaged in work with other classmates is implicit as a requirement of this course. **Ask questions, contribute your thoughts, and listen well—this helps you to improve your communication skills and can advance your learning in the course.**

Approach to Learning and Teaching Philosophy

Readings in this course include one text and published research papers, reports as well as budget and finance documents. In-class sessions will be a mix of instructor- and student-directed discussion and individual and group exercises. Exercises require student preparation, to date, through reading of assigned book chapters and published papers and perhaps preparation of written responses to required questions, as noted by class session. This is not a “tools” or “how-to” course on public budgeting and financial administration, but rather an overview of the context and many issues that decision makers, stakeholders and the general public face related to taxing and spending by governments. Students should leave the course with a firm understanding of the current research about public budgeting, the wide variety of contexts within which governments must budget and operate, the difficult challenges that governments around the world face in reaching financial sustainability, and the analytical approaches to evaluating public

organizations and their fiscal health. Students should consider this course an entrée into the nexus of public budgeting and financial management theory and research with practice.

Course Learning Objectives

After completing this course, you should be able to:

- ✓ Appreciate the environment of taxing and spending by governments worldwide—the legal framework in which these processes occur, as well as the economic, social, cultural, organizational and technological factors that shape the decisions that determine public revenues and expenditures;
- ✓ Explain the public budgeting process—development, deliberation and passage, execution, and audit—and articulate how such process is impacted by various institutions, participants and stakeholders, and in light of special circumstances, such as natural disaster or public safety crisis;
- ✓ Compare the politics of public budgeting with modern reform methods of resource allocation;
- ✓ Understand numerous components of public financial administration;
- ✓ Identify major components of typical tax and revenue structures and the components of tax administration;
- ✓ Apply budget and financial calculations, metrics and analyses to evaluate government fiscal health and solve public budgeting problems; and
- ✓ Assess the challenges for modern governments in effecting “better” budget results.

Course Policies and Procedures

Academic Honesty

University guidelines on academic honesty are enforced in this course, and you should be familiar with the [UGA Student Code of Conduct and Policies](#). *The University Student Honor Code states: “I will be academically honest in all of my academic work and will not tolerate academic dishonesty of others.”* A Culture of Honesty, the University's policy and procedures for handling cases of suspected dishonesty, can be found [here](#).

It is your responsibility to ask questions if you are unclear about what is appropriate. Academic dishonesty violations will result in a minimum penalty of a ‘0’ on the assignment or exam, can escalate to an academic dishonesty charge brought by the Professor, and may result in dismissal from the program of study and the University.

Accommodation

Students who wish to request an accommodation for a disability may do so by registering with the [University's Disabilities Resource Center](#). Student accommodation necessitates issuance by the Center of approved documentation and a plan. Students are responsible for providing a copy of documents and plans to instructors of all classes in which an accommodation is needed. The accommodation plan for this course must be provided to this Professor prior to the second week of class in order to negotiate the terms of the accommodation.

Advice and Assistance

Students are responsible for contacting the Professor when having trouble understanding the material or requirements of the course. Dr. Willoughby is available during office hours, by appointment, or by phone call. Please provide your name and telephone number when leaving a message on voicemail: 706.583.0553 or cell: 678.642.7248. Students should communicate with the Professor by Email through the course on eLC. If the online course is not functioning, students can Email the Professor at: kwilloughby@uga.edu.

Make-up Exams, Late Assignments and Incompletes

There are no make-up exams in this course and late assignments and exams are neither accepted nor graded. Incomplete or "I" grades are permitted in rare circumstances only. The Professor has the right (1) to require documentation and proof of the need for an "I" grade, before agreeing to apply the "I" grade; (2) to the assignment of different and/or additional course requirements to the student to complete the course and/or (3) to impose a grade penalty for an "I" grade in the course. Please let the Professor know as soon as you see a problem developing. Familiarize yourself with the University's course withdrawal procedures at [UGA Withdrawal Policies](#).

eLC and Student Email

This course uses the eLC course Email to communicate with students. All course related materials, assignments, exams and grades are posted to the course online. Your official UGA student Email address that is available at eLC will be the address used to get in touch with you, if necessary. Please check this account regularly or arrange for it to be automatically forwarded to whatever personal Email account that you check daily. All course correspondence with the Professor should be conducted through eLC, for security and consistency.

Grading, Exercises, Assignments, Exams and Course Evaluation

Your grade in this course is based on your performance on 3 exams, 1 research report and participation in class exercises. Class exercises are graded as (0) no participation or (1) participated. Students will turn in the exercises at the end of the class session to receive credit. At the end of the term, the class exercise grade will be calculated based on the number of exercises participated in (for example, 8 of 8 completed receives 100). The following scale is used for grading in this course:

93-100	A	78-79.99	C+
90-92.99	A-	73-77.99	C
88-89.99	B+	70-72.99	C-
83-87.99	B	60-69.99	D
80-82.99	B-	0-59.99	F

Final Course Grade Components

10%	Class Exercises and Oral Article Review
25%	Research Report
15%	1st Exam
20%	2nd Exam
30%	3rd Exam

Exams

Exams will be some form of budget/financial administration case or problem in which you will be required to respond with written text and support your problem solving using metrics and/or analysis. Students should apply concepts and course materials when explaining problems evidenced in the exams and regarding any solutions as determined by the student. Exams are open-book and open-note and designed to build student skills in the areas of critical thinking and communication through written expression as well as problem solving through analysis and making calculations. Exam #1 (September 11, 2019) will be made available to you online at the course on eLC at the usual start time of class (3:35 pm) and must be submitted back to the course online by 11:30 pm the same date. Exam #2 (October 23, 2019) will be made available to you online at the course on eLC at the usual start time of class (3:35 pm) and must be submitted back to the course online by 11:30 pm *the following evening*, Thursday, October 24, 2019. Exam #3 (December 4, 2019) will be made available to you online at the course on eLC at 3:35 pm on the night of the last class session and must be submitted back to the course online by 11:30 pm on Wednesday, December 11, 2019. Due dates and times for exams are final, regardless of when you decide to access and begin any exam. Hardcopy and/or late exams are not accepted or graded. You must submit your completed exams via eLC. Only if the eLC site is not functioning, should you send exams to my UGA email, kwilloughby@uga.edu.

Course Evaluation

Your ideas about the rigor and content of this course, the method of teaching and skill building possibilities are important for us to continue to improve our job as University faculty. Please take time at the end of the semester to complete a course evaluation. Let us know what does and does not work. We want our courses to advance your breadth of knowledge and skills!

Required Textbook and Readings

Willoughby, Katherine. 2014. Public Budgeting in Context: Structure, Law, Reform and Results. San Francisco, CA: Wiley. ISBN-13: 978-1118509326; ISBN-10: 1118509323
Hardback and Kindle versions available.

*All other readings will be available to you through the course at eLC. To parcel out readings and support vigorous discussion in class, students are assigned responsibility for reading specific articles and being prepared to provide the class insight about the research in the appropriate class session. Unless otherwise noted, the text, videos, and other online material are required reading for every student.

Class Format

This course immerses students in active learning. This requires a bit of a step up on the part of students in terms of their preparation for class sessions. To be ready for class, students should have thoroughly examined, read and thought about required readings, answered any assigned chapter questions in the text, and come to class session ready to participate. Class sessions will engage students individually and/or in groups in order to discuss public budgeting and finance

cases and issues, conduct an exercise, or to debate about important principles, concepts, themes and reforms.

There are several pedagogical reasons that the course operates this way. First, many students rarely speak in class but have interesting and relevant insights and perspectives that would benefit the entire class. Providing opportunities for you to discuss topics in class allows you to practice delivering a persuasive and considered argument to others. Most discussions lead to a diversity of interpretations for us to consider related to public budgeting and finance problems. Second, speaking effectively and working in groups is a bona fide requirement for those entering budget, finance and management positions in any organization and particularly, in government and non-profit organizations. You should consider this class a low-risk environment for working on your individual and team skills as well as becoming more comfortable speaking in front of others. You should use this class to work on (1) conveying your thoughts to others in a clear, logical and persuasive way; (2) allowing others to have an opportunity to present their consideration of topics, concepts and issues; and (3) listening to your fellow students' arguments and perspectives in a respectful, though critical way. By critical, you should practice the art of civilly questioning others on their views and interpretations, and then to be willing and able to offer your perspective and justification for your view in a courteous way. Third, the active learning aspect of the course requires students to be consistent and conscientious in their knowledge building regarding the topic of study.

Schedule of Classes and Topics¹

Starred () material indicates required readings.*

August 14 The psychology and ethics of public budgeting and finance

*Willoughby, Chapter 1

*Burkhead, J. 1954. "The Balanced Budget," The Quarterly Journal of Economics, 68(2), 191-216.

*Key, V. O. 1940. "The Lack of a Budgetary Theory," The American Political Science Review, 34(6): 1137-1144.

*Willoughby, W. F. 1918. "The Budget as an Instrument of Political Reform," Proceedings of the Academy of Political Science in the City of New York, National Conference on War Economy, (July) 8(1): 56-63.

*In preparation for class, read the code of ethics/code of professional responsibility from the following organizations.

- Government Finance Officers Association: <http://www.gfoa.org/about-gfoa/code-professional-ethics>
- National Conference of State Legislatures: <http://www.ncsl.org/research/ethics/50-state-definitions-of-public-officialofficer.aspx>
- Association of Government Accountants: <https://www.agacgfm.org/About/Code-of-Ethics.aspx>
- International Monetary Fund: <https://www.imf.org/external/np/fad/trans/code.htm>

August 21 Budget foundations in governments around the world—making comparisons

*Willoughby, Chapters 2-3

Borcherding, Thomas. 1985. "The Causes of Government Expenditure Growth: A Survey of the U.S. Evidence," Journal of Public Economics, (December): 359-82. **Todeschini**

*Oates, Wallace E. 1985. "Searching for Leviathan: An Empirical Study," The American Economic Review, 75(4): 748-757.

Tiebout, Charles. 1956. "A Pure Theory of Local Expenditures," The Journal of Political Economy 64(5): 416-424. **Newton**

*Schultze, Charles L. 1992. "Is There a Bias Toward Excess in U.S. Government Budgets or Deficits?" Journal of Economic Perspectives 6(2): 25-43.

Class Exercise #1

¹ Schedule and readings subject to change at the discretion of the Professor. All changes are noted on the course at eLC.

August 28 Continuation of budget foundations and examination of budgeting in the American states—tax and spend laboratories

*Willoughby, Chapter 4

*Dye, Richard, Nancy Hudspeth and Andrew Crosby. 2015. "Apocalypse Now? The Consequences of Pay-Later Budgeting in Illinois: Updates and Projections from IGPA's Fiscal Futures Model," *Fiscal Futures Project*, January 19.

Lowry, Robert C. 2001. "A Visible Hand? Bond Markets, Political Parties, Balanced Budget Laws, and State Government Debt," *Economics and Politics*, 13(1): 49-72. **Rudolph**

Nesbit, Todd M. and Steven F. Kreft. 2009. "Federal Grants, Earmarked Revenues, and Budget Crowd-Out: State Highway Funding," *Public Budgeting & Finance*, 29(2): 94-110. **Sills**

Guest Lecture by Terry England, Chairman, Appropriations Committee, Georgia House of Representatives, District 116

Class Exercise #2

September 4 Budgeting at the local level—fiscal federalism in action (or not)

*Willoughby, Chapter 5

*Watch the video on municipal debt management and derivatives

[<https://www.youtube.com/watch?v=CP9v3eroVco>] and be prepared to discuss the video in class.

Ho, Alfred Tat-Kei and Anna Ya Ni. 2005. "Have Cities Shifted to Outcome-Oriented Performance Reporting? A Content Analysis of City Budgets," *Public Budgeting & Finance*, 25(2): 61-83. **Lim**

Monacelli, Daniela, Maria Grazia Pazienza and Chiara Rapallini. 2016. "Municipality Budget Rules and Debt: Is the Italian Regulation Effective?" *Public Budgeting & Finance*, 36(3): 114-140. **Boyd**

September 11

**1st Exam available from course at eLC at 3:35 pm
Due to course at eLC by 11:30 pm September 11, 2018**

September 18 Executive leadership—setting a budget and policy agenda

*Willoughby, Chapter 6

*Barnes, A. James. 2009. "Implementing Presidential Policy Agendas Administratively: A View from the Inside," *Public Administration Review*, 69(4): 586-594.

Durant, Robert F. 2009. "Getting Dirty-Minded: Implementing Presidential Policy Agendas Administratively," *Public Administration Review*, 69(4): 569-585. **Moeller**

*Lauth, Thomas P. 2016. "The Other Six: Governors without the Line Item Veto," *Public Budgeting & Finance*, 36(4): 26-49.

Wampler, Brian. 2004. "Expanding Accountability through Participatory Institutions: Mayors, Citizens, and Budgeting in Three Brazilian Municipalities," *Latin American Politics and Society*, 46(2): 73-99. **Marsh**

Guest Lecture by Terry England, Chairman, Appropriations Committee, Georgia House of Representatives, District 116

Class Exercise #3

September 25 Legislatures and budget-making—the will of the people in real time

*Willoughby, Chapter 7

*Buschman, Robert D. and David L. Sjoquist. 2017. "An Exploration of Differential State Responses to Changes in Fiscal Condition," *Public Budgeting & Finance*, 37(1): 47-67.

Day, Jonathan and Keith Boeckelman. 2012. "The Impact of Legislative Term Limits on State Debt: Increased Spending, Flat Revenue," *Politics and Policy*, 40(2): 320-338. **Kruskol**

Giuriato, Luisa, Alessandra Cepparulo and Matteo Barberi. 2016. "Fiscal Forecasts and Political Systems: A Legislative Budgeting Perspective," *Public Choice*, 168: 1-22. **Jeong**

*Schick, Allen. 2002. "Can National Legislatures Regain an Effective Voice in Budget Policy?" *OECD Journal on Budgeting*, 15(1): 15-42.

Guest Lecture by Terry England, Chairman, Appropriations Committee, Georgia House of Representatives, District 116

Class Exercise #4

October 2 The courts and public budgets—judicial influence on taxing and spending

*Willoughby, Chapter 8

*Yates, Andrew. 2013. "Using Inherent Judicial Power in a State-Level Budget Dispute," Duke Law Journal, 63(7): 1463-1502.

*Weishart, Joshua E. 2014. "Transcending Equality versus Adequacy," Stanford Law Review, 66(3), 477-544.

October 7 Midterm of the semester

October 9 Bureaucracies, citizens and media and public budgets—satisfying everyone, someone or no one

*Willoughby, Chapter 9

Allen, Richard, Yasemin Hurcan and Maximilien Queyranne. 2016. "The Evolving Function and Organization of Finance Ministries," Public Budgeting & Finance, 36(4): 3-25. **Howarth**

Gordon, Victoria, Jeffery L. Osgood, Jr. and Daniel Boden. 2017. "The Role of Citizen Participation and the Use of Social Media Platforms in the Participatory Budgeting Process," International Journal of Public Administration, 40(1): 65-76. **Grand-Jean**

*Guess, George M. 2001. "Decentralization and Municipal Budgeting in Four Balkan States," Journal of Public Budgeting, Accounting & Financial Management, 13(3): 397-436.

*Smith, Robert W. 2004. "The Courage to Tax: Rational Choice versus State Budgetary Politics in the South," Politics and Policy, 32(4): 636-659.

Guest Lecture by David Boyd, CPA, Finance Director, Athens-Clarke County, Athens, Georgia

Class Exercise #5

October 16 Funding budgets—diversify, diversify, diversify!

*Willoughby, Chapter 11

*Read the online report: "Principles of a High-Quality State Revenue System," by National Conference of State Legislatures [<http://www.ncsl.org/research/fiscal-policy/principles-of-a-high-quality-state-revenuesystem.aspx#principles>]

Alm, James and Denvil Duncan. 2014. "Estimating Tax Agency Efficiency," Public Budgeting & Finance, 34(3): 92-110. **Gaines**

*Cornia, Gary C., David L. Sjoquist and Lawrence C. Walters. 2004. "Sales and Use Tax Simplification and Voluntary Compliance," Public Budgeting & Finance, 24(1): 1-31.

Edwards, Barbara and Sally Wallace. 2004. "State Income Tax Treatment of the Elderly," Public Budgeting & Finance, 24(2): 1-20. **Francois**

*Mikesell, John L. 2007. "Developing Options for the Administration of Local Taxes: An International Review," Public Budgeting & Finance, 27(1): 41-68.

Guest Lecture by Terry England, Chairman, Appropriations Committee, Georgia House of Representatives, District 116

Class Exercise #6

October 21 Last day to withdraw from the course and receive a "Withdrawal"

October 23

**2nd Exam available from course at eLC at 3:35 pm
Due to course at eLC by 11:30 pm October 24, 2019**

October 30 Activity based costing and budgeting—What's the difference?

*Arnaboldi, Michela and Irvine Lapsley. 2003. "Activity Based Costing, Modernity and the Transformation of Local Government," Public Management Review, 5(3): 345-375.

*Melese, Francois, James Blandin and Sean O'Keefe. 2004. "A New Management Model for Government: Integrating Activity Based Costing, the Balanced Scorecard, and Total Quality Management with the Planning, Programming and Budgeting System," International Public Management Review, 5(2): 103-131.

- *Mullins, Daniel R. and Kurt C. Zorn. 1999. "Is Activity-Based Costing Up to the Challenge When It Comes to Privatization of Local Government Services?" Public Budgeting & Finance, 19(2): 37-58.
- Williams, Clif and Ward Melhuish. 1999. "Is ABCM Destined for Success or Failure in the Federal Government?" Public Budgeting & Finance, 19(2): 22-36. **Chancy**

Class Exercise #7

November 6 Budgeting in times of crisis

- *Donahue, Amy K. and Joyce, Philip G. 2001. A Framework for Analyzing Emergency Management with an Application to Federal Budgeting. Public Administration Review, 61(6): 728-740.
- Joyce, Philip G. 2005. Federal Budgeting after September 11th: A Whole New Ballgame, or Is It Déjà Vu All over Again? Public Budgeting & Finance, 25(1): 15-31. **Cantrell**
- Lis, E. M. and Nickel, C. 2010. The Impact of Extreme Weather Events on Budget Balances. International Tax and Public Finance, 17(4): 378-399. **Brandt**
- *Phaup, M. and Kirschner, C. 2010. Budgeting for Disasters. OECD Journal on Budgeting, 10(1): 1-24.
- Skidmore, M. and Toya, H. 2002. Do Natural Disasters Promote Long-Run Growth? Economic Inquiry, 40(4): 664-687. **We**
- *[U.S. Government Accountability Office. 2019. Contracting for Disaster Response and Recovery, GAO WatchBlog](#)

November 13 Assessing Government Fiscal Health

- * Coe, Charles K. 2008. "Preventing Local Government Fiscal Crises: Emerging Best Practices," Public Administration Review, 68(4): 759-767.
- *Gorina, E., Maher, C., and Joffe, M. 2018. "Local Fiscal Distress: Measurement and Prediction," Public Budgeting & Finance, 38(1): 72-94.
- *Maher, C. S. 2013. "Measuring Financial Condition: An Essential Element of Management During Periods of Fiscal Stress," The Journal of Government Financial Management, 62(1): 20-25.
- Maher, C. S., and Deller, S. C. 2013. "Assessing the Relationship Between Objective and Subjective Measures of Fiscal Condition Using Government-Wide Statements," Public Budgeting & Finance, 33(3): 115-136. **Alvey**
- Spreen, T. L. and Cheek, C. M. 2016. "Does Monitoring Local Government Fiscal Conditions Affect Outcomes? Evidence from Michigan," Public Finance Review, 44(6): 722-745. **Ashe**

Class Exercise #8

November 20 Roundtable discussion of state budgeting for corrections

- *Willoughby, Chapter 10

Research Report due to course on eLC by December 11, 2019 at 11:30 pm

November 27 Happy Thanksgiving—NO CLASS

December 4 Budget results—advancing human rights and community prosperity

- *Willoughby, Chapter 12
- *Barbera, Carmela, Enrico Guarini and Ileana Steccolini. 2016. "Italian Municipalities and the Fiscal Crisis: Four Strategies for Muddling Through," Financial Accountability & Management, 32(3): 335-361.
- *Di Francesco, Michael and John Alford. 2016. "Budget Rules and Flexibility in the Public Sector: Towards a Taxonomy," Financial Accountability & Management, 32(2): 232-256.
- *Meyers, Roy T. 2017. "Is the U.S. Congress an Insurmountable Obstacle to Any "Far-Sighted Conception of Budgeting"?" Public Budgeting & Finance, 37(4): 5-24. **O'Brien**
- *Santiso, Carlos. 2004. "Development Finance, Governance and Conditionality: Politics Matter," International Public Management Journal, 7(1): 73-100. **Gurley**

3rd Exam available from course at eLC at 6:35 pm

December 11 3rd Exam due to course on eLC by 11:30 pm

RESEARCH REPORT: Budget and Performance Project

The purpose of this project is to provide you the opportunity to develop practical knowledge about budget practice, technique, reform and results. You will work with another student or students in the class on a group project. Groups are randomly assigned to analyze an agency or program of a state government. Your group determines which program or agency within the state's department of corrections to ***conduct an in-depth analysis of revenues and expenditures for the past six years, analyze the budget process, confirm performance budgeting law exists in the state, and discuss if and how performance budgeting is applied by the program/agency that you investigate.*** As a group, you are required to interview at least one state government official associated with program or agency you have decided to study. You might interview the agency/program director, deputy director, budget officer, executive budget analyst responsible for the agency, and/or responsible legislative fiscal analyst. Ask about budget roles and strategies and confirm what you find out about the budget process resulting from your analysis, as well as any application of performance measurement for budgeting in the agency. You will need the appropriate legislation and budget documents to gather the fiscal data necessary to complete the tables attached. You should conduct the bulk of your budget analysis prior to conducting an interview. For the best results, you should complete the tables and Email to any individuals you are able to secure for an interview, along with a list of questions, in order to allow for the most efficient interview exchange. Your completed project will be a written analysis of budget process, performance budgeting application, and corrections programming results your state. In class on November 20, 2019, we will hold a roundtable discussion in which you and all other students will present project findings. **Please bring a 4-5 slide PowerPoint show that you can present in class during our discussion that includes tables, charts, data and/or other information to help you explain budgeting in your chosen agency or program.** Your completed project should be, at minimum, 10 typed pages, double-spaced, ***not including*** title page, tables, footnotes, references, etc. Margins can be no more than 1" all around. Use 10 or 12-point font only. **Submit the final project to the course on eLC by 11:30 pm on December 11, 2018.** Every student should make a submission to eLC for this assignment. The following is an outline for the project.

I. INTRODUCTION

The section should provide the ***legal authorization*** for the existence of the state's department of corrections and for the agency or program that you have chosen to study. You should explain where the department and agency/program is located organizationally within the state structure, its legislated purpose, authority, and responsibilities. You should provide information concerning the relationship in size, organizationally and fiscally, of the agency to total government. ***You must support this section with an organizational flow chart*** illustrating the relationship between your agency and others in the government, or illustrating the organization of the entire government. Provide the performance budgeting law evidenced in the state and briefly discuss its breadth in terms of components included (more about this in class).

II. BUDGET REQUEST/APPROPRIATIONS/AUDIT REPORT ANALYSIS

This section presents results from your analysis of the fiscal data necessary to complete the tables attached. You should complete as many of the tables as possible – you can present tables and/or graphs to best illustrate the trends exhibited by your agency.

III. BUDGET PROCESS

This section presents information you gather from interview(s) with the budget/fiscal and/or other public officer(s) and staff as well as from the information that you gather from budget and finance documents for the agency and program within (Part II above). You must prepare Part II above prior to any interviews, as you will ask individuals to provide a detailed account of the budget process, beginning with the call for spending requests from the chief executive officer. For any interview, call and Email the officer/analyst/staff member and ask if they would be willing to provide you the information that you need. Explain that you are a UGA graduate student enrolled in the public budgeting course and then explain what your project is and describe the type of information that you will need from them (information about the budget process, performance budgeting and program results in the agency). Should you get a positive response for an interview from an officer, secure an interview date, time, and best telephone number to use. I-phones offer the ability for you and your partner(s) to be on the call together—or you may have other avenues for conducting a conference call. Make sure to confirm an interview that would include you and your partner with the individual. Confirm availability for a 30 minute to hour-long interview, and ask about the possibility of an Email follow-up for any remaining questions. Should you receive positive response for an interview, send a confirmatory Email to the officer re-stating the purpose of your work, a list of questions you will seek answers to, a copy of your completed tables, and the established interview date, time, and place. Make sure that you put your name, address, telephone number and Email address as a signature on the Email so that the individual can contact you if necessary. If you wish to tape the session, ask permission at the beginning of the interview; if taping is declined, simply take notes. This is why it is a good idea to have you and your partner on the call during the interview. Make sure that you offer to send your results to the interviewee and get his or her complete address for mailing in addition to emailing results. You may want to send a copy of your draft paper to the officer to receive their comments *before you submit your project online to the course on December 11*.

We will review a list of questions for you to submit to individuals prior to an interview. The information received from these interviews should help you assess whether your preliminary analysis squares with the realities of budgeting discussed with officers. For example, you should consider if the officer's explanation of budget success coincides with appropriations and expenditures indicated on your tables. Are agency requests, on average, interpreted positively or negatively by the chief executive officer? By the legislature? Does the agency fair better with the chief executive or legislators concerning spending requests? What percent of revenues are from another level of government? Does this agency usually benefit or lose with a supplemental budget? Does the agency usually need to consider supplemental funding? How does the agency take advantage of performance information for budgeting? To what extent is performance data for this program (or agency) available online? Are there performance data requirements across budget phases? Are there special and/or periodic reports that provide performance data that are easily accessible? What expenditure and performance trends are evidenced by the program? How are measures determined, and which are the most useful across budget phases?

IV. DISCUSSION AND CONCLUSION

This section is a summary of your findings. You should consider the relationship between your results, budget theory and research about performance budgeting. For instance, does it seem that the budgeters in this agency practice incrementalism? Is budgeting “politics as usual”? Where does rationality in terms of performance information come into play? What other budget reforms, if any, have been instituted? Also, you should address what makes this agency unusual or distinct from others in the state. Do you expect continued expenditure growth or decline for this program/agency? In light of any fiscally stressed environment, what has this agency done or what does it plan to do to limit spending yet improve performance in the future? What other factors may affect the spending pattern of this agency in the years to come? How do you think this agency will survive compared to others in the state concerning requests in the future? Identify future challenges—including revenues, expenditures, budget process, and performance budgeting or other aspects; reach a conclusion about the fiscal capacity and stability of your agency and the program you have investigated.

Budget Trend Tables for Agency/Program

TABLE TITLE:

Comparison of nominal to real General Fund revenues(a)					
Fiscal Year	Current \$	% Change	Deflator(b)	Real \$	% Change
2013					
2014					
2015					
2016					
2017					
2018					
Average Change across Years					

(a) source for data

(b) deflator used and source for deflator

TABLE TITLE:

Comparison of nominal to real General Fund expenditures(a)					
Fiscal Year	Current \$	% Change	Deflator(b)	Real \$	% Change
2013					
2014					
2015					
2016					
2017					
2018					
Average Change across Years					

(a) source for data

(b) deflator used and source for deflator

TABLE TITLE:

Fiscal Year	Agency/Program Revenues	% State Funds	% Federal Funds
2013			
2014			
2015			
2016			
2017			
2018			

TABLE TITLE:

Fiscal Year	Agency/Program Expenditures	Total State Expenditures	Agency Expenditures as a % of Total State Expenditures
2013			
2014			
2015			
2016			
2017			
2018			

TABLE TITLE:

Fiscal Year	Previous Year Expenditures	Agency Request for Next Year	% Δ from Previous Year	Chief Executive Recommendation	% Δ from Agency Request	Legislative Appropriation	% Δ w/Previous Year	% Δ w/ Agency Request	% Δ w/CE Recommendation
2013									
2014									
2015									
2016									
2017									
2018									
Average Change									

TABLE TITLE:

Fiscal Year	Year's Performance Target*	Year's Performance Actual	Performance Gap btw Target and Actual	# of Staff Positions	# of Program Clients	Expenditures
2013						
2014						
2015						
2016						
2017						
2018						
Average Change						

*Provide a discussion of the history of this program in the state, a description of clients served currently and several performance and other metrics used to gauge program activity and results. Then, concentrate on one performance measure of your choice to complete the table above.

Possible Interview Questions

Introduce yourselves and confirm the name and position title of your interviewee at the start of the interview.

1. Please provide a description of your educational and work background.
2. How long have you worked at *your agency/program*?
3. Can you provide us with a brief overview of the budget process—from agency/program budget development to final audit?
4. Considering the tables we provided to you, does your experience with budgeting in your agency square with the trends indicated? That is, does your agency generally fare better with the governor or the legislature, or about the same with both?
5. Does your agency generally gain or lose with an amended or supplemental budget?
6. When working with the governor's budget staff, what information is most helpful to you for making your case regarding appropriation and program needs? Is this the same when discussing your agency's budget with legislators and legislative staff?
7. Can you explain how performance measures are used for making management and/or budgeting decisions in your agency?
8. Does performance measurement/information come into play for your agency as the budget process progresses from budget recommendation, legislative review and passage, execution, and audit? Are certain measures more important during any particular phase of your agency's budget process?
9. Who is involved in measurement development for your agency? Do you consider that these measures to be valid and reliable?
10. Does your agency engage targets for performance? If so, how are targets determined?
11. Are there rewards for meeting targets or penalties for not meeting them?
12. Has use of performance measures led to any innovation in your agency, given typical and continuing budget and court constraints?
13. Do measures come into play regarding your agency's organizational culture? That is, are agency employees attuned to considering measures in their daily work or periodically throughout the year?
14. Do you engage in performance contracting? Can you provide an example of work for which your agency might engage performance contracting?
15. Do you witness any unintended consequences of using performance information for budgeting?
16. Aside from statutory requirements and leadership initiatives related to gathering, analyzing and reporting on data, are there other incentives for using data?
17. What do you consider the greatest challenge for your agency in managing and budgeting for programs, going forward?

State DOC Assignments

State	Performance Budgeting Law	Students
Colorado	Colorado Revised Statutes 24-37-304 (2001); SMART Government Act Section 2-7-201-205, C.R.S. (2010)	Ashe Marsh Newton
Florida	Florida Government Performance & Accountability Act: Title 14, 216.013, 023, 141, 163-164, 1815, 1826-1827; 20.055 (1994); 216.1827 added in 2006-2007)	Cantrell Francois Kim
Idaho	Idaho Title 67, CH4: 67-457 to 464 (1993); CH 19 67-1918 and SB1509 (1994); CH35 67-3502 (1995) and 67-3507 (1999); CH19 67-1901-1905 (2005)	Jeong Rudolph Sills
Louisiana	Louisiana Revised Statutes 39:87.1-6 (Subpart D); 24:603,653; 39:2,31-32,36 (1997); Act 797 (2014)	Gurley O'Brien
Kansas	Kansas HB 2739, §1 (2016)	Gaines Grand-Jean
Nebraska	Nebraska Revised Statutes §50-1201-1215; §81-1113 (1992); §81-3133 (Revised 2012-2016)	Chancy Howarth Kruskol
New Hampshire	New Hampshire Revised Statutes §9:4-1 (2014)	Alvey Boyd Todeschini
New Mexico	New Mexico Accountability in Government Act: §6-3A-1 to 9 (1999)	Moeller We
Pennsylvania	Pennsylvania Title 71 Pa.C.S. §4104 (Repealed in 2016); Title 72 P.S. §4664.3 (2010)	Brandt Lim Morris