

# Pub Pol 715: Budgeting and Financial Planning

Ford School of Public Policy

Winter 2019

## **Instructor:**

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Office hours: Thursdays 11:00 – 1:00 [Sign up here](#)

**Canvas Website:** <https://umich.instructure.com/courses/273625>

**Class Meetings:** Tuesdays and Thursdays, 1:00 – 2:20, 1210 Weill

**Course Description and Objectives:** The management of financial resources to achieve public goals pervades every area of public policy, but budgeting and financial management is an area usually left to “experts” who often seem to speak their own language. In today’s environment of scarcity and uncertainty, however, effective policymakers, public managers, and advocates can’t afford to leave finances to the experts. They need to understand how to strategically manage their financial resources to achieve their goals. To that end, this course is designed to:

- Familiarize students with common financial data and analysis methods
- Help students understand the financial aspects of policy and managerial decisions and learn how to use financial information strategically to make better decisions
- Help students understand how an organization’s or government’s finances align with its mission and goals
- Introduce theoretical and political perspectives that highlight themes in public finance and budgeting
- Help students gain confidence communicating financial information in multiple formats—written memos, spreadsheets, formal presentations, and informal conversations.

**Texts and Readings:** Our main text will be *Financial Strategy for Public Managers* by Sharon Kioko and Justin Marlowe, which you can download for free at:

<https://press.rebus.community/financialstrategy/>

Reading assignments and occasional supplemental readings will be posted on Canvas.

## **Grading and Assignments:**

- **Class Participation—5% of total grade**  
For each class session, students are expected to arrive ready to discuss the day's topic. This includes not only completing the assigned readings, but thinking of critical questions, examples, extensions, etc. Students are encouraged to draw on their own professional experiences and on news and current events.
- **Projects—50% of total grade (25% each)**  
Detailed assignment descriptions will be posted on Canvas.
  - Flexible Budgeting Exercise (group project)
  - Financial Condition Analysis (individual project)
- **Homework—15% of total grade (optional)**  
Five sets of practice problems will be assigned throughout the semester. You are encouraged to work collaboratively on these.
- **Final Exam—30% of total grade**  
The final exam is on Friday, April 26, from 4:00 – 6:00 p.m. *Note: If your final exam grade exceeds your homework grade average, I will replace your homework grade with your final exam grade.*

## **Other Course Policies:**

- Please let me know immediately if you have a conflict or disability that might inhibit you from meeting due dates or otherwise fully participating in the class. I will make appropriate accommodations.
- Unless a prior agreement is reached, late work will incur a penalty of 10% of the possible points per day.
- No extra credit.
- Please keep the use of computers, phones, etc. to a minimum during class.

## **SCHOOL-WIDE POLICIES AND RESOURCES**

### **Ford School of Public Policy Inclusivity Statement:**

Members of the Ford School community represent a rich variety of backgrounds and perspectives. We are committed to providing an atmosphere for learning that respects diversity.

While working together to build this community we ask all members to:

- share their unique experiences, values and beliefs
- be open to the views of others
- honor the uniqueness of their colleagues
- appreciate the opportunity that we have to learn from each other in this community
- value one another's opinions and communicate in a respectful manner
- keep confidential discussions that the community has of a personal (or professional) nature
- use this opportunity together to discuss ways in which we can create an inclusive environment in Ford classes and across the UM community

**Accommodations for Students with Disabilities:** If you believe you need an accommodation for a disability, please let your instructor know at your earliest convenience. Some aspects of courses may be modified to facilitate your participation and progress. As soon as you make your instructor aware of your needs, they can work with the Services for Students with Disabilities (SSD) office to help determine appropriate academic accommodations. Any information you provide will be treated as private and confidential.

**Student Mental Health and Well-Being Resources:** The University of Michigan is committed to advancing the mental health and wellbeing of its students. We acknowledge that a variety of issues, such as strained relationships, increased anxiety, alcohol/drug problems, and depression, directly impacts students' academic performance. If you or someone you know is feeling overwhelmed, depressed, and/or in need of support, services are available. For help, contact (CAPS) and/or [University Health Service](#) (UHS). For a listing of other mental health resources available on and off campus, visit: <http://umich.edu/~mhealth/>

**Please review additional information and policies regarding academic expectations and resources at the Ford School of Public Policy at this link:**

<http://fordschool.umich.edu/academics/expectations>

## Tentative Schedule (Watch Canvas for updates)

10-Jan	Introduction
15-Jan	Financial statement and accounting concepts
17-Jan	Financial statement and accounting concepts, cont.
22-Jan	Balance sheets
24-Jan	Activity statements
29-Jan	Government financial statements and CAFRs
31-Jan	Legacy costs
5-Feb	Transaction analysis
7-Feb	Transaction analysis, cont.
12-Feb	Cost concepts
14-Feb	Cost analysis
19-Feb	Capital budgeting
21-Feb	Capital budgeting and PPPs
26-Feb	Budget formats
28-Feb	Budget process and politics
5-Mar	Break
7-Mar	Break
12-Mar	Budget implementation and control
14-Mar	Guest: Wade Kapszukiewicz, Mayor of Toledo
19-Mar	Present flexible budget projects
21-Mar	Revenue structure and analysis
26-Mar	Revenue structure and analysis, cont.
28-Mar	Revenue forecasting
2-Apr	TEEs, tax expenditures, etc.
4-Apr	Financial condition analysis
9-Apr	Financial condition analysis, cont.
11-Apr	Financial condition analysis, cont.
16-Apr	Guest panel?
18-Apr	Wrap-up
23-Apr	Discuss financial condition analysis projects

Friday, April 26 from 4:00-6:00 p.m - Final Exam