Instructor
Alexis Senger
Senior Fellow IPPS/Adjunct Faculty
Chief Analyst/Adviser, Governor’s Office of State Planning and Budgeting, Governor Hickenlooper
e:mail: alexissenger@gmail.com
cell: 303-204-8686 (note that email is preferred means)

Course Overview

Most of today’s public policy questions involve money in some way. Anyone who works in public policy will at some level have interaction with budgets - as a program or legislative staffer, manager, consultant, analyst, lobbyist, board member, or elected official.

A public budget can be defined simply as the price tag of public policy. Budgeting is the means by which public policy goals are funded. “If you cannot use the budget to state your goals and move state government in the direction you advocate, you are not likely to make much progress toward those goals.” (Memo to the Governor) Budgeting is about analysis, management, goals, politics, and strategy.

Economics writer Robert J. Samuelson has noted that the “virtue of a balanced budget is that it compels choices.” Dall W. Forsythe calls budgeting “choice within constraint.”

"Public Management and Budgeting" is a second-year IPPS graduate core course which considers both the hardware and the software of budgeting with an emphasis on practical application. The hardware includes structural balance, revenues, expenditures, and rainy day funds. The software includes the strategy, politics, transparency, lobbying, advocacy, media, and elections. Public management and budgeting is not an academic, book-focused venture. Budgeting is a hands-on activity that involves making a practical case to support your policy objective.

The Public Management and Budgeting students will work on real-life projects including:

- Tracking the deliberation and actions of the Legislature (Joint Budget Committee, Committees of Reference) on the State budget during the legislative session;
- Reviewing case studies and doing in-class budget exercises;
- Recommending budget reforms for a specific public policy area; and
- Presenting recommendations on the Colorado Parks budget to a panel of state parks and budget experts.
Grades will be weighted as follows:

- 20% Budget change/reform project
- 40% Parks budget project (TEAM project grade, includes team member evaluations)
- 20% Memo to the Governor (In-class Final)
- 10% Participation
- 10% Quizzes/Other Assignments

Course Policies

Students who miss a class must make up the class by researching and writing a paper about the class topic. Said paper is due two weeks from the date of the absence.

Students are expected to have read the listed readings prior to the class for which the reading is required. Readings are listed on the syllabus, however, in some cases, additional readings will be separately provided (handed out/emailed) for a given class.

Quizzes will be given randomly and can cover required readings, prior class material/lectures or guest speakers.

Students will be required to track at least one legislative briefing/hearing. Tracking means following the proceedings, submitting notes on pertinent information and reporting to the class. Who was there? What was the topic? When? What happened? Why? What does it mean? A sign-up sheet will be provided that will cover a week’s briefing period (in which a two hour period is covered).

The schedule for the Colorado Joint Budget Committee proceedings can be found at: [http://www.state.co.us/gov_dir/leg_dir/jbc/jbchome.htm](http://www.state.co.us/gov_dir/leg_dir/jbc/jbchome.htm).

The general website for the Colorado General Assembly can be found at: [http://www.leg.state.co.us/clics/clics2012B/cslFrontPages.nsf/HomeSplash?OpenForm](http://www.leg.state.co.us/clics/clics2012B/cslFrontPages.nsf/HomeSplash?OpenForm)

Thoughtful participation in class is necessary and includes regularly following news articles on the state budget, sharing clips with the class, and offering up analysis on the issues. If you come to class and listen politely, while nice, this does not constitute participation -- and your grade will reflect this.

Please feel free to leave your cell phones, iPhones, internet, email, twitter, and texting functions etc. off during class time. If you take notes via your computer/I-Pad, I don’t want to see your facebook or email etc. active. Sufficient breaks will be afforded to allow for catching up. Note that a few classes will require that you bring your laptop for in-class work.
Course Goal

Gain knowledge on the critical aspects of public management and budgeting.
Face policy challenges involving funding with confidence and expertise.

Course Objectives

Know the attributes of a strong budget and be able to identify weaknesses.
Understand the structural and political mechanisms which are inherent in budgeting.
Analyze budget decisions and present recommendations.
Understand the role of strategy and management in public policy and budgeting.

Public Management and Budgeting Winter 2013

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<tr>
<th>Class</th>
<th>Topic</th>
<th>Date</th>
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<td>Class 1</td>
<td>Introduction to Public Management and Budgeting</td>
<td>January 9</td>
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<tr>
<td>Class 2</td>
<td>Who’s in charge of the budget? Revenue and Spending Limits</td>
<td>January 16</td>
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<td>Class 3</td>
<td>Revenues &amp; Expenditures: Building and Balancing the Budget &lt;1&gt;</td>
<td>January 23</td>
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<td>Class 4</td>
<td>Budget and Planning with Adoption in Mind &lt;1&gt;</td>
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<td>Class 5</td>
<td>Budget Reform Presentations *</td>
<td>February 6</td>
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<td>Class 6</td>
<td>Managing Budget Actions &lt;1&gt;</td>
<td>February 13</td>
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<td>Class 7</td>
<td>Balancing the Budget (In class exercise)</td>
<td>February 20</td>
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<td>Class 8</td>
<td>Budget Planning and Strategy &lt;1&gt;</td>
<td>February 27</td>
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<td>Class 9</td>
<td>Parks Project Presentations *</td>
<td>March 6</td>
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<td>Class 10</td>
<td>Final: Wrap-up and In-class Memo to the Governor*</td>
<td>March 13</td>
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*Represents major deliverable for course grade, 80% cumulatively.
<1> Class includes a guest speaker.

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<tr>
<th>1</th>
<th>Introduction to Public Management and Budgeting (January 9)</th>
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<tbody>
<tr>
<td></td>
<td>Overview of course requirements.  What is budgeting?  Why</td>
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<td></td>
<td>is budgeting an integral component of public policy?</td>
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Readings:
Wolfe Trahan, When State Governments are Down and Out, the Whole Country Pays (September 2010), page 6 and 7 (Senger to hand this out January 9th, not necessary to review in advance)
The Politics of Public Budgeting, Chapter 1, pages 31-34 (“The Politics of Public Budgets”)
The ABCs of State Budgets, Center on Budget and Policy Priorities (January 2010)
Governor Hickenlooper’s FY 13-14 Budget Transmittal Letter to the General Assembly
2 Who’s in charge of the budget? Revenue and Spending Limits (January 16)

Constitutional and statutory directives on the budget – and what does this mean for decision makers in a republic? In-class Excel exercise (bring your laptops).

Readings:
State Tax and Expenditure Limits (2010), National Conference of State Legislatures
Memos to the Governor, Chapters 1 - 4 (these are short and easy to read)
Politics of Public Budgeting, Chapter 3 (“The Politics of Process”)
Summary of Preliminary Report - General Fund Revenues and Expenditures: A Structural Imbalance, University of Denver, Center for Colorado’s Economic Future (February 2011)
Financing Colorado’s Future: An Analysis of the Fiscal Sustainability of State Government Phase 1 Findings, University of Denver Center for Colorado’s Economic Future (April 2011)
Financing Colorado’s Future: An Analysis of the Fiscal Sustainability of State Government, Summary of Phase 2 Findings, University of Denver, Center for Colorado’s Economic Future (August 2011)

3 Revenues & Expenditures: Building and Balancing (January 23)

Balancing revenue projections and expenditure needs. Also, Guest Speaker: Natalie Mullis, Chief Economist for the Colorado General Assembly will discuss the legislative economic forecast and legislative budget process.

Readings:
Financing Colorado’s Future: An Update University of Denver, Center for Colorado’s Economic Future (March 2012)
The Politics of Public Budgeting, Chapter 2 (“Revenue Politics”), Chapter 4 (pages 101-110, 123-130, 137, 138), Chapter 5 (page 151-152 case study, 173 case study), Chapter 6 (all)
Fundamentals of Sound State Budgeting Practices National Conference of State Legislatures (June 1995) – old but still relevant
Rainy Day Funds by Kate Watkins, Colorado Legislative Council (January 2010)
How Colorado Compares in State and Local Taxes, Memo Colorado Legislative Council Staff (August, 2010)
4 Budget and Planning with Adoption in Mind (January 30)

Considerations in designing program initiatives. (Note: any case study materials will be handed out in class.) Also, guest speaker: Kevin Neimond, Senior Analyst, Joint Budget Committee provides a legislative staff’s perspective on the budget process.

Readings:

Memos to the Governor, Chapters 5 - 7

5 Budget Reform Presentations (February 6)

Students will do a tight two-page memo to a state elected official (plus up to two pages of attachments/calculations/other provided as attached appendices) recommending and justifying a state budget reform/savings initiative for a specific public policy area. A budget savings can be attributable to an organizational/structural change, as quantified and justified, a decrease in funding due to performance measures/outcome measures or other reasons.

Students are strongly encouraged to have the public policy area/topic pre-approved by the instructor by no later than January 23rd. This will not be a piece that can be compiled at the last minute and the difficulty of this project’s ambiguity may be challenging.

Students must quantify the amount, funding source (e.g., General Fund, cash funds or federal funds) the reason for the amount, operational impact (performance, staffing impact), policy impact, and the time frame for implementation. Comparisons to other systems/states is certainly appropriate, but the change must be otherwise justified in and of itself. Memo must cite all sources and numbers just like any paper. Students must be prepared to present and justify their arguments in a timed 10 minute presentation to the class. This must be an original proposal.
6 Managing Budget Actions (February 13)

Discussion of managing budget actions. Guest Speaker (Karl Spiecker, Director of Administration, Colorado Department of Corrections) provides a manager’s perspective on the reality of closing down a state prison. Note that there will be additional readings on the Ft. Lyons closure – these will be emailed to the class prior to this date.

Readings:
The Politics of Public Budgeting, Chapter 7 (page 237 case study, page 241 case study), Chapter 8 (pages 247-257 budget and oversight, 275, 278, 279)
Memos to the Governor, Chapter 8

7 Balancing the Budget (February 20)

The politics of choices: in-class budget balancing exercise.

Readings:
TBD Colorado, Determining Colorado’s Future, Report and Recommendations of TBD Colorado, (December 2012)

8 Budget Planning and Strategy (February 27)

Discussion of strategic planning (and strategic planning exercise). Guest speaker Chad Marturano (Legislative Liaison for the Colorado Department of Higher Education) will discuss the role of budget strategy in planning and lobbying.*

Readings:
Colorado Legislative Council Staff Issue Brief: The SMART Government Act, Cathy Eslinger (October 2010)
Department of Higher Education, FY 2012-13 Strategic Plan
Office of the State Auditor: Implementation of the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act, Performance Audit, August 2012 (pages 1 - 26)
9 Parks Project Presentations (March 6)

Major Presentation to Expert Panel. Students will present their recommendations for the Colorado State Parks Budget for FY 2013-14 and on, including fee levels and proportions, basis for funding distribution to state parks, number of rangers (staff), other. The presentation document is the paper. TEAM grade based on presentation and document. Represents 40 percent of student grade.

10 FINAL: Wrap-up and In-Class Memo to the Governor (March 13)

Students will be asked to analyze budget information, make an assessment and recommendation for budget strategies in the form of a concise two-page memo to a governor. Note that the memo emphasizes creativity and higher-level analysis and synthesis of information over basic memorization.

Required Readings

Note: The required books (“Memos to the Governor” and “Politics of Public Budgeting”) are available at the DU bookstore. The rest of the readings are available on-line unless otherwise noted.

Memos to the Governor: An Introduction to State Budgeting by Dall W. Foresythe (Second Edition, Updated, 2010).

The Politics of Public Budgeting, Getting and Spending, Borrowing and Balancing by Irene S. Rubin (Sixth Edition 2010). Chapter 1 (pages 31-34), Chapter 2 (all), Chapter 3 (all), Chapter 4 (pages 101-110, 123-130, 137, 138), Chapter 5 (page 151-152 case study, 173 case study), Chapter 6 (all), Chapter 7 (page 237 case study, page 241 case study), Chapter 8 (pages 247-257 budget and oversight, 275, 278, 279), Chapter 9 (283-286).

Wolfe Trahan, When State Governments are Down and Out, the Whole Country Pays (September 2010), page 6 and 7. Senger to hand this out January 9th.

The ABCs of State Budgets Center on Budget and Policy Priorities (January 2010) http://www.cbpp.org/cms/index.cfm?fa=view&id=3067


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Department of Higher Education, FY 2012-13 Strategic Plan

Office of the State Auditor: Implementation of the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act, Performance Audit, August 2012 (1-24)

Other Material (Required)

FY 2013-14 Parks Request, Colorado Department of Natural Resources, Parks and Outdoor Recreation Budget and related materials (Senger will provide these electronically – after classes begin)

Reference Materials

Budget-in-Brief, Fiscal Year 2012-13. Colorado General Assembly, Joint Budget Committee (Senger will hand these out)
http://www.state.co.us/gov_dir/leg_dir/jbc/FY12-13BIB.pdf

FY 2012-13 JBC Appropriations Report
http://www.state.co.us/gov_dir/leg_dir/jbc/FY12-13apprept.pdf

Optional Readings

Office of the State Auditor: Implementation of the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act, Performance Audit, August 2012 (25-40)


NCSL Fiscal Brief: Zero-Base Budgeting in the States, Ronald Snell, National Conference of State Legislatures, January 2012