Instructor: Blue Wooldridge
923 West Franklin St.
Richmond, VA 23284-2028
Fax: 828-7463
Tel: 828-8037
Home phone: 540-372-7068 (except in emergencies please do not call after 10 pm or before 6 am)
E-mail: bwooldri@vcu.edu
PADM Program Office: 828-1046/1575
Cell Phone: 540-226-0118
Tuesdays from 4:00-6:40, Room 2123 Business Building

PADM 609 is concerned with the general concepts, principles and techniques of financial management as they are applied in governmental units and agencies. Traditionally the study of public financial management is approached from an economic viewpoint. In this course efforts will be made to approach this subject from the point of view of the public administrator. The political, behavioral, environmental, social, as well as the economic significance of each of the main areas of study will be demonstrated.

GOAL OF THE COURSE

The goal of this course is for you to develop knowledge of the financial management system in your own or another government agency and for you to develop knowledge, comprehension, skills and attitudes that will enable you to improve the utility of that public financial management system. Specifically, you should be able to analyze various components of a governmental financial management system and make recommendations for improvement. You will be able to conduct specific financial management calculations using an electronic spreadsheet and will become familiar with both national and local reports/documents describing financial status and financial management practices and procedures. In addition, you will be able to communicate using E-mail and an electronic bulletin board and be able to conduct research using computerized library databases, the Internet and the World Wide Web.

For your guidance, Bloom's "Taxonomy of Educational Objectives" suggests that Knowledge (K) can be defined as: to describe, to recall, to define, to name, to recognize, to list, etc. Comprehension/analysis/evaluation (C) can be defined as: to understand, to have insight into, to distinguish, to categorize, to analyze, to discriminate, to contrast, to select, to support, to compare. Application (A) can be defined as: to apply, to demonstrate, to use, etc. It is my opinion that usually learning takes place in the K-C-A sequence.

GENERAL OUTLINE OF THE COURSE
The first session will provide an overview of the financial management system and describe the interrelationship of the elements of such a system. Since it is suggested that "budgeting is the heart of financial management," the first session will also discuss the history of modern budgeting.

Session II will begin our trip through the "budget cycle," examining each stage in detail with the purpose of identifying opportunities for improvement. The term "budget cycle" aptly emphasizes the periodicity of budgeting. It is, of course, true as the saying goes that "budgeting is a continuous process." Budgeting is not, or at least should not be, a "one-shot" annual affair. Attention to the budget and budgetary formulation should influence the day-to-day decisions of management at all levels. At the same time, however, this continuity is marked by specific phases of a cyclical character. The phases of the budget cycle can be generally identified as: (1) executive preparation and submission, (2) legislative consideration and authorization, (3) budget execution and control, and (4) audit or budget evaluation. In this session we will focus on the executive preparation part of the cycle. This is an important topic since the utility of the budget process and resultant budget document is dependent on the quality of this phase.

In Session III we will discuss the many purposes that public budgeting can serve and include a review of several examples of current budgets. The types of information that is required to achieve each purpose will also be explored. We will examine the link between budgeting and the planning hierarchy, and the role of program measures in public budgeting.

Session IV will be concerned with the different formats that the actual budget can assume, the different types of program information that each format contains, and the advantages and disadvantages of each budget format.

Sessions V and VI will deal with important issues in capital budgeting. The characteristics of capital budgets, the appropriate linkage with the operating budget, and the funding of the capital budget will be the topics of Session V. Key concepts of debt management will also be included in this session. Capital budgeting involves deciding from among different alternative possible expenditures. Economic techniques for analysis, such as the Net Present Value (Worth) will be demonstrated in Session VI. Next, we will discuss the next phase of the budget cycle—legislative consideration and approval. A description of this phase and strategies for improving it will be the focus on Session VII.

In Sessions VIII and IX the course will examine the purpose and actual functions of a budget execution and control system. These are also the sessions where the topics of government accounting and internal control will be discussed. Budget execution and control is the one stage of the budget cycle that affects each member of an organization. It is also a vastly underutilized activity that fails to meet the needs of most organizations.

Auditing is the phase of the budget cycle that has grown both in scope and importance over the past few years. This topic will be the focus of Session X.

In the next session (XI) we will begin our examination of revenue planning and management. There are four major steps in the revenue planning process:

1. Review the existing revenue program
2. Identify criteria for assessing revenue sources
3. Identify all available revenue sources
4. Recommend a revenue program for the next fiscal year

We will examine each step in detail. In Session XI we will develop and use a methodology through which we can review a typical revenue program with a detailed description of the sources of revenue now being used and significant trends over recent years. In Sessions XII and XIII we will establish and justify a list of criteria that can be used in assessing an existing revenue program or in the selection of a new source. Part of Session XIII will involve a discussion of a revenue source that has developed increased significance to governments. This revenue source that will be discussed is User Charges. In Session XIV we will focus our discussion of principles and procedures in cash management.

Session XV will be devoted to a discussion of another revenue source used by governments, that of Intergovernmental Fiscal Assistance. The issues identified with this concept will be described and examined.

This will conclude our study of Financial Management in Government.

SPECIAL RESOURCES THAT WILL BE USED IN THIS COURSE

Text (Available in the Hibbs Bookstore):


Supplemental Readings* can be accessed on Blackboard, on reserve in the Cabell Library and on Electronic Reserve. Useful books on reserve include:

Petersen & Strachota, Local Government Finance Concepts and Practices
Aronson, J. Richard, Management Policies in Local Finance

* The textbook and even the other readings are light on several topics important in Governmental Financial Management, such as the role of the legislative branch in the budget process, governmental accounting and public sector auditing. You will need to go to journals online and supplement the assigned readings. As an example, I have attached to the end of this syllabus two years’ worth of articles from the GFOA’s Governmental Finance Review that I think are relevant. Several of the other journals listed below are online.

Class participants are urged to read the daily papers and other current journals for relevant articles. Materials of importance should be brought to class for discussion. Students should make themselves aware of the various journals of interest published by the professional associations and universities. Examples include:

Public Administration Review
Public Policy
The American Political Science Review
Be sure to be familiar with the endnotes and references in your readings.

I am sure that you will find the various computerized databases in the library, such as InfoTrac (social sciences & management literature), Lexis/Nexis (news and law), PsycInfo (psychology), ERIC (education journals), Dow Jones (newspapers & business journals), PAIS (public administration), Dissertation Abstracts (all topics), and Congressional Universe (Congress) useful in carrying out your research. The Social Sciences Citation Index component of the Web of Science database is also a useful research tool. Be sure to discover the resources in the government documents section of the library as well—on the Web at <http://www.library.vcu.edu/jbc/govdocs/govhome.html>

I have arranged a training session on the library databases and the use of the Internet. This is scheduled for Saturday, February 1, from 10 am until noon. It will be held in the library computer training room, on the 3rd floor of Cabell. Since space is limited, please call the POS-PAD Office at 828-1575 to reserve a space.

You also need adequate electronic spreadsheet skills. Please obtain these as early as possible during this semester.

PARTICIPANTS' RESPONSIBILITIES

You should be alert to the fact that fifteen (15) three hours sessions are scheduled for this course during this term. The last session will be held during the examination week. All of these sessions are equally important to achieving the educational objectives of this course. If for any reason (weather or professional trips on my behalf) a session must be postponed, this session will be made up.

Since it is expected that you will actively participate in the class discussion, it is
necessary that assigned readings be completed prior to class time. YOU SHOULD DEVELOP QUESTIONS THAT WILL HELP YOU BETTER UNDERSTAND THE READING MATERIAL. Class sessions will be spent responding to your questions and presenting new material. You are advised to use the syllabus as an aid in doing the readings. I might even throw in a "pop quiz" just to see if the readings are understandable. The results of such a quiz will not count towards your grade. I also recognize that there is a large amount of reading required and that the educational value of this experience to you is a function of your preparedness so please read each assignment closely. SINCE THE GRADED ASSIGNMENTS WILL REQUIRE REFERENCES TO THE LITERATURE YOU MIGHT FIND IT USEFUL TO TAKE COMPLETE NOTES AS YOU DO THE READINGS.

Class participants must be aware that two supplemental goals of this course are the enhancement of writing skills and of library and electronic media research skills. Therefore participants can expect to spend considerable time doing research for the four written assignments. Experience of previous classes leads me to expect that you will probably spend, at least, an average of 8-12 hours per week doing the work for this course. I would like feedback from you as to the amount of time required to successfully complete the work for this course so please keep track as you do the assignments/readings.

Please make sure that you are clear as to the expectations of in-class and written assignments and that you obtain adequate feedback on your performance. Since an additional goal of this class is the fostering of adequate communication skills, you are urged to examine your written work for deficiencies in clarity of presentation. Specific minimum learning objectives have been identified for each class session. You should achieve those objectives through the readings, class discussions, lecture or any other means. Let me know if you feel that these objectives have not been met.

IT IS EXPECTED THAT CLASS PARTICIPANTS WILL ATTEND EVERY SESSION. ABSENCE FROM A SIGNIFICANT PORTION OF ANY CLASS SESSION WILL BE COUNTED AS A FULL ABSENCE.

Unexcused violation of this attendance policy before the mid-point of the class will result in a student being administratively withdrawn. If this policy is violated after the withdrawal deadline, a failing grade will be issued. An excused absent can be discussed, in advance, with us.

After teaching at VCU for more than fifteen and a half years, I have identified three characteristics of those course participants that experience difficulty in my courses.

• They do not do the readings and take good notes before the appropriate class session.

• They miss class sessions (even for good reasons) and do not make plans to record the session or at least get class notes before the next session.

• They do not take my advice to begin the assignments the first night we begin to discuss the topic but rather wait until the weekend before the assignment is due.
If you have doubts about the speed and comprehensiveness of your note-taking, please feel free to record the class sessions. I like to think that each session contains many "golden words of wisdom."

**Assignments**

There will be five (5) written graded assignments:

**Assignment I:** Review of Agency Budget Development Process  
Due Session IV, 20% of grade

**Assignment II:** Review of Agency Budget Document  
Due Session VI, 20% of grade

**Assignment III:** Problem Set (using electronic spreadsheet)  
Due Session VIII, 10% of grade

**Assignment IV:** Best Practices in Budget Execution and Control  
Due Session XI, 10% of grade

**Assignment V:** Review of State or Local Revenue Program (using electronic spreadsheet)  
Due Session XVI, 35% of grade

Assignments 1 & 2 can be adequately addressed in approximately 15 double-spaced pages each. Assignments 3 & 4 can be responded to adequately in approximately a half-dozen pages each. Assignment 5 can be adequately addressed in approximately 20 double-spaced pages.

Detailed descriptions of the assignments are provided at the end of this course syllabus. ALL ASSIGNMENTS EXCEPT FOR #5 MUST BE TURNED IN NO LATER THAN TWO DAYS AFTER THE SESSION INDICATED. ASSIGNMENT #5 MUST BE TURNED IN THE NIGHT OF THE LAST CLASS. LATE PAPERS WILL BE PENALIZED. Since each of these will require time to complete, you might find it useful to begin the assignment as soon as you receive it. Each of these five written assignments should reflect graduate level work. That is, the written work meets the objectives of the assignment, is in clear correct English and shows conceptual understanding of major issues with pertinent points discussed in a way that demonstrates some creativity or originality (rather than merely stringing together a series of quotes). There should be a good grasp of reading material evidenced and quoted in the written assignments. These assignments will require research into materials additional to the assigned readings. If you discover you have used one source more than twice consecutively, you probably do not have enough resources or have not used them effectively. IT IS EXPECTED THAT EACH ASSIGNMENT WILL USE BOOKS, PROFESSIONAL JOURNALS, RESEARCH ARTICLES AND THE WORLD WIDE WEB AS REFERENCE MATERIALS. These written efforts should reflect the writing style, tone and approach of such professionally-orientated journals as the *Public Administration Review*, *Public Productivity Review*, *Budgeting and Financial Management* and/or *Public Personnel Management*.

I strongly urge you to use, during this course, such computer communication technologies...
such as e-mail, the Internet and the World Wide Web. You must, however, be aware of the possible invasion of your personal privacy while and after using these technologies. E-mail can be stored and reviewed by others. Visiting some Web sites can result in "cookies" being implanted in your computer that allow others to know other web sites you have visited and even read other computer files on your hard drive. Many recent articles have been published on this subject in the popular press and I urge that you become familiar with these possible dangers. Certainly become familiar and comply with the Universities "Ethics Policy on Computing," which can be found in the latest issue of the VCU Resource Guide.

Class participants should use a standard manual of style, such as the American Psychological Association, and use its suggested format in all written work. Please indicate on the assignment which manual of style you are using.

After the first assignment, any written assignment that, in my opinion, does not reflect graduate-level writing performance including the use of a "manual of style," will be returned ungraded and the revised submission will be considered late.

IN ADDITION EACH PARTICIPANT WILL BE EXPECTED TO READ THE CLASS BLACKBOARD SITE AS FREQUENTLY AS POSSIBLE, AT LEAST TWICE A WEEK, CERTAINLY BEFORE EACH CLASS SESSION AND TO POST A MESSAGE AT LEAST ONCE EVERY TWO WEEKS. I will use the Blackboard site to communicate with class participants about changes in class schedule/requirements, useful resources, current events, etc, and as a medium to facilitate communication between class participants. You access Blackboard through its URL address http://blackboard.vcu.edu. Your VCU e-mail login is to be used, as is your VCU e-mail password. Blackboard contains an online student manual, which you should master as soon as possible. If you don’t already have a VCU e-mail account, you must immediately go to the VCU website (www.vcu.edu), click on “Information Technology” then “students” and follow the instructions to create an account. If you also don’t have a VCU OneCard, I would assume you need to follow the instructions for “incoming students.” E-mail me if you still have problems. I will use Blackboard to bring to your attention current events relevant to this course, post lecture notes, and bring to your attention other required resources. I want you to share useful information. Since I might send either individual or group e-mails to you using Blackboard, you should make it a point to read your VCU e-mail daily.

At the current VCU Resource Guide, which can be found on the VCU Website, under “Students” is a description of the University’s Honor System. It describes "Pledged" and "Unpledged" assignments. Just to confuse you, the assignments in this course will be a hybrid of these two concepts. You are encouraged to share useful resources and to discuss your potential responses to these assignments and to both offer and to receive assistance in using the electronic spreadsheet in completing assignments two and four. However cheating, plagiarism, the facilitation of academic dishonesty, abuse of academic materials, stealing, or lying will be considered violations of the VCU Honor System.

Please be aware of VCU’s Sexual Harassment Policy, and “Disruptive” Student policy, which can be found in the Resource Guide.
I am discouraging the use of "Incompletes". Please make every effort to complete all of the assignments before the end of the grading period. If, for some unavoidable reason you must request an "Incomplete," you must notify me in advance and complete the necessary paper work. However, when the incomplete assignment is turned in, it will be considered late, unless there is an approved excuse such as illness. Unless written approval from me for an extension is granted, all incompletes must be satisfied within 30 days of the end of the semester. Likewise, if you decided to withdraw from this course you must do it before the tenth week of class, and after completing the necessary paper work.

Special Notes:

If you would like to demonstrate your mastery of the course objectives by some means other than one or more of the four graded assignments please discuss with me what you would like to do. This discussion must take place before the assignment is due.

Again, I would like to have feedback as to the relative "benefits/costs" associated with each assignment. Please make a mental note as you complete the assignment and report your perceptions to us at the end of the course.

FACULTY RESPONSIBILITIES

I will be responsible for leading an in-depth discussion and providing clearly articulated learning objectives on each subject area; furnishing class participants with adequate bibliographies and electronic sources covering the field; and counseling you in regard to preparation for the assignments. I will be delighted to review drafts of your work before final submission. Participants can "re-do" one of the assignments if they wish. The final grade will be the mean of the two efforts. I will also provide feedback on your performance after each graded assignment and be available to meet with you at a mutually convenient time.

I will have office hours from 3-4:30 pm on Mondays, 2:30-3:30 on Tuesdays, and from 3-4:30 and 5:30-6:45 on Thursdays. I can be available for appointments at these times, and before and after the class sessions. You can take your chances on "dropping in" at the specified times, but even at those times it would be better to call ahead since there are often committee meetings, etc. I am delighted to meet with you and, in addition, will guarantee to return your calls and e-mail messages.

As an instructor, I am concerned about the equality of access to education. Also Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 require Virginia Commonwealth University to provide academic adjustments or accommodations for students with documented disabilities. Students seeking academic adjustments or accommodations must self-identify with the Coordinator of Services for Students with Disabilities on the Academic Campus. After meeting with the coordinator, students are encouraged to meet with their instructors to discuss their needs, and if applicable, any lab safety concerns related to their disabilities. To that end, I am happy to work with students to make reasonable accommodations in instruction and testing. If you have a documented disability of any kind that requires accommodation, please inform me in writing before the end of the second week of this class.
COURSE OVERVIEW AND SCHEDULE

Session I
INTRODUCTION TO FINANCIAL MANAGEMENT IN GOVERNMENT ELEMENTS OF A GOVERNMENT FINANCIAL MANAGEMENT SYSTEM THE HISTORY OF MODERN BUDGETING

Session II
THE BUDGET CYCLE-EXECUTIVE PREPARATION THE MULTI-FACETED NATURE OF MODERN BUDGETING, BUDGETING AND THE PLANNING HIERARCHY, THE ROLE OF PROGRAM MEASURES IN PUBLIC BUDGETING

Assignment I—Due Session IV

Session III
THE BUDGET CYCLE: EXECUTIVE PREPARATION (Con't)

Session IV
EXECUTIVE PREPARATION-FIVE BUDGET FORMATS-LINE ITEM-PERFORMANCE-PROGRAM-ZERO BASE-COMPREHENSIVE

Assignment II—Due Session VI

Session V
CONCEPTS AND ISSUES IN CAPITAL BUDGETING

Session VI
ECONOMIC TECHNIQUES FOR CAPITAL PROJECT SELECTION

Assignment III—Due Session IX

Session VII
LEGISLATIVE REVIEW AND APPROVAL

Session VIII
BUDGET EXECUTION AND CONTROL

Assignment IV—Due Session XI

Session IX
BUDGET EXECUTION AND CONTROL

Session X
THE BUDGET CYCLE: AUDITING

Session XI
REVENUE PLANNING AND MANAGEMENT: REVIEWING THE EXISTING REVENUE PROGRAM

Assignment V—Due Session XV

Session XII
REVENUE PLANNING AND MANAGEMENT: CRITERIA FOR ASSESSING REVENUE SOURCES

Session XIII
REVENUE PLANNING AND MANAGEMENT/ALTERNATIVE REVENUE SOURCES: USER CHARGES

Session XIV
REVENUE PLANNING AND MANAGEMENT/ ALTERNATIVE REVENUE SOURCES: CASH MANAGEMENT

Session XV
ALTERNATIVE REVENUE SOURCES: CONCEPTS AND ISSUES INTERGOVERNMENTAL FISCAL ASSISTANCE
Session I
INTRODUCTION TO FINANCIAL MANAGEMENT IN GOVERNMENT

Elements of the Financial Management System
Evolution of Modern Budgeting
Milestones in the development of budgeting

Objectives:

At the end of Session I, participants will be able to:
1. Describe the general objectives of this course, the course requirements, and the relationship between the sessions of this course.
2. Describe the elements of a state or local financial management system.
3. Identify and discuss the importance of significant milestones in the development of public budgeting.

Readings:

Wooldridge, “Elements of Financial Management,” available on Blackboard
Aronson & Schwartz, Chap. 1 (suggested readings)
Petersen & Strachota, Chaps. 1 & 3 (suggested readings)
Mikesell, Chap. 1

Session II
THE BUDGET CYCLE-EXECUTIVE PREPARATION/BUDGETING AND THE PLANNING HIERARCHY-THE ROLE OF PROGRAM MEASURES IN PUBLIC BUDGETING

Phases of the Budget Cycle
Budgeting and Administrative/Strategic Planning
Relationship of program measures to budgets

Objectives:

At the end of Session II, participants will be able to:
1. Describe the phases of the budget cycle and understand the relationship between each phase.
2. Describe the steps involved in the executive preparation phase of the budget cycle and appreciate the role of each step.
3. Analyze a given agency’s budget preparation procedures, compare with a set of desired procedures and make recommendations for improvement.
4. Discuss the significance of the location of the budget responsibility.
5. Distinguish between different program measures and have insight to their roles in budgeting

Readings:

Wooldridge, “Achieving HPOs Through Strategic Planning” pp. 1-50, Blackboard
Session III
THE MULTI-FACETED NATURE OF MODERN PUBLIC BUDGETING

Objectives:

At the end of session III, participants will be able to describe, discuss and understand the several purposes a budget can serve and recognize the subsequent informational requirements.

Readings:

Petersen & Strachota: Chap. 4 (suggested reading)
Wooldridge & Cherry: “Improving the Utility of Library Budgets” Electronic Reserve

Session IV
EXECUTIVE PREPARATION-FIVE BUDGET FORMATS-LINE PERCENTAGE-PROGRAM-ZERO BASE-COMPREHENSIVE

The Object of Expenditure/Line Item Budget
The Performance Budget
The Program Budget/PPBS
The Zero Base Budget
The Comprehensive Budget Format

Objectives:

At the end of Session IV, participants will be able to describe the characteristics of each of the above budget types. They will be able to describe the advantages and disadvantages of each of the budget types and to describe the relationship of each to the purposes of budgets described in Session III. They will be aware of the typical obstacles encountered when trying to implement budget reform.

Readings:
Wooldridge: “Line Item/Performance Budgeting” Electronic Reserve
Aronson & Schwartz: Chap. 6 (suggested readings)
Axelrod: Chap. 10 (suggested readings)
Mikesell: Chap. 5

Session V
ISSUES AND CONCEPTS OF CAPITAL BUDGETING

Definition of Capital Budgeting
Linkage between the capital and operating budgets
Funding of the Capital Budget
Issues in Debt Management

Objectives:

At the end of Session V participants will know the definition and characteristics of a capital budget and appreciate the necessary linkages between the operating budget and the capital budget. Participants will also be able to describe the usual funding of the projects on the capital budget and be able to describe and discuss the important issues in long-term debt management.

Readings:

Aronson & Schwartz: Chap. 12 (suggested readings)
Petersen and Strachota: Chps. 5, 14 & 15 (suggested readings)
Mikesell: pp. 233-245 & Chap. 15

Session VI
ECONOMIC TECHNIQUES OF CAPITAL PROJECT SELECTION

Life Cycle Costing
The time dimension of money/discounting
Economic technique for selecting capital projects: Net Present Value Analysis
Sensitivity Analysis
Small Group Exercise

Objectives:

At the end of Session VI participants will be able to:

1. Describe the purpose of discounting and discuss the several methods of selecting the discount rate.
2. Determine the equivalent values of several streams of costs and benefits.
3. Define and discuss the terms Equivalency and Net-Present Value.
4. Use the appropriate methods to rank alternatives in terms of economic preference.
5. Define and be able to use the concepts of Life-Cycle-Costing.
6. Define and be able to use the concept of Sensitivity Analysis.

Readings:

Wooldridge, “Achieving HPOs Through…,” pp. 51-83, BlackBoard
Aronson & Schwartz, Chap. 17 (Suggested Readings)
Mikesell, pp. 245-276
GFOA, “Net Present Value,” Blackboard

Session VII
LEGISLATIVE REVIEW AND APPROVAL
Purpose of the Legislative review phase
Various approaches to legislative review
Management's role in the legislative review phase

Objectives:

At the end of Session VII, participants will be able to:

Describe and discuss the purpose of the legislative review phase of the budget cycle.
Describe and contrast the various approaches used by legislatures in reviewing the proposed budget.
Understand the various strategies managers should use during the legislative review phase.

Readings:

Handouts

Session VIII
BUDGET EXECUTION AND CONTROL

Elements of a Comprehensive Budget
Budget Execution and Control System
Simple Budget Execution and Control Systems
Purposes of a simple budget execution and control system
Components of a simple budget execution system
Management monitoring and control systems
Purposes and key concepts in monitoring
Components of a monitoring and control system
Linking budgeting and accounting systems

Objectives:

At the end of Session VIII, participants will be able to:

1. Describe the purposes and components of a Comprehensive Budget Execution and Control System.
2. Describe the primary purposes and components of a simple budget execution system
3. Describe the components of a program monitoring and control system
4. Explain the types of components that might be used in a budget execution system and describe the factors that would influence their use
5. Understand the need for integrating budgeting and accounting systems
6. Be able to design an accounting system linked to the budgeting system
7. Be able to analyze a government's budget execution system and make recommendations for improvement.

Readings:

**Session IX**

**BUDGET EXECUTION AND CONTROL**

Governmental Accounting Systems
Governmental vs. commercial accounting
Purpose of governmental accounting
Key features of governmental accounting
Obstacles in implementing financial management information systems (FMIS)
Elements of an Internal Control System

**Objectives:**

At the end of this session participants will be able to:

1. Distinguish between governmental and commercial accounting.
2. Describe the purposes of a local governmental accounting system.
3. Know the definitions of important government accounting terms
4. Describe obstacles encountered in the implementation of changes in a FMIS.

**Readings:**

Petersen & Strachota, Chap. 11 (Suggested Readings)
Aronson and Schwartz, Chap. 7 (Suggested Readings)

**Session X**

**THE BUDGET CYCLE: AUDITING**

Key issues in public sector auditing
The changing role of the government auditor
Pre-audits and post audits
Expanded scope auditing
Small Group Exercise

**Objectives:**

At the end of this session participants will be able to:

1. Describe the changing role of the government auditor
2. Explain the differences in the types and locations of post-audit activities
3. Describe the characteristics of the three types of post-audits and explain their implications for state and local governments
4. Analyze a government's audit activities and make recommendations for improvement.
5. Describe and discuss the Single Audit Act.
6. Be able to estimate the unique capabilities required for performance auditing.
Readings:

Petersen & Strachota, Chap. 12 (Suggested Readings)
Aronson and Schwartz, pp. 194-195 (Suggested Readings).

Sessions XI

REVENUE PLANNING MANAGEMENT: REVIEWING THE EXISTING REVENUE PROGRAM

The need for a systematic approach to revenue planning
Steps in the revenue planning process

Objectives:

At the end of this session, participants will be able to:
1. Describe the steps in the systematic approach to revenue planning
2. Analyze a government’s existing revenue program.

Readings:

Wooldridge, “Revenue Planning for Libraries” Electronic Reserve
Petersen & Strachota, Chap. 2 (Suggested Readings)
Aronson & Schwartz, Chaps. 2 & 4 (Suggested Readings)
Wooldridge, “Financing Local Government…,” Electronic Reserve

Sessions XII

REVENUE PLANNING AND MANAGEMENT: CRITERIA FOR ASSESSING REVENUE SOURCES

Objectives:

At the end of these sessions, participants will be able to describe the following criteria and understand their use in analyzing a revenue source:
1. Legality
2. Administrative Feasibility
3. Social and Political Acceptability
4. Productivity
5. Equity, Horizontal and Vertical
6. Elasticity/buoyancy
7. Stability
8. Regulatory/Neutrality
9. Certainty
10. Overlapping Horizontal and Vertical
11. Compatibility with the community strategic plan
12. Aid in economy management
Readings:

Aronson & Schwartz, Chaps. 9 & 10 (Suggested Readings)
Petersen & Strachota, Chaps. 6, 7, & 8 (Suggested Readings)
Mikesell, Chap. 7-10 & 12

Session XIII
REVENUE PLANNING AND MANAGEMENT/ALTERNATIVE REVENUE SOURCES: USER CHARGES

Trends in the Use of User Charges
Purposes that User Charges can Serve
Reducing Regressivity of User Charges
Establishing User Charges

Objectives:

At the end of this Session, participants will be able to describe and explain trends and current concepts and issues concerning user charges.

Readings:

Mikesell, Chps. 11
Wooldridge, “Protecting Equity While Reinventing Government,” Electronic Reserve

Session XIV
ALTERNATIVE REVENUE SOURCE: CONCEPTS AND ISSUES IN CASH MANAGEMENT AND THE INVESTMENT OF TEMPORARILY IDLE FUNDS

Goals of a Cash Management System
Criteria for assessing a Cash Management Program
Elements of a Cash Management System

Objectives:

At the end of Session XIV participants should understand the elements of and the purposes of a cash management system and be able to recognize the need for:

1. a cash budget for a public organization
2. an analysis of the availability of temporary idle funds and decisions concerning the required financing
3. an analysis of their organization's cash mobilization procedures and be able to make
improvements where required
4. to describe the available money markets and the characteristics of potential investments opportunities and
5. be able to select the most appropriate for their organization.

Readings:

Petersen & Strachota, Chap. 13 (Suggested Readings)
Mikesell, Chap. 16
Petersen & Strachota, Chap. 8 (Suggested Reading)
Aronson & Schwartz, Chap. 10 (Suggested Reading)

Session XV
INTERGOVERNMENTAL FISCAL ASSISTANCE

Guest Speaker

Objectives:

At the end of this session, participants will be knowledgeable about trends in intergovernmental fiscal assistance as well as the various instruments available for distributing such funds.

Readings:

Petersen & Strachota, Chaps. 9 & 22 (Suggested Readings)
Mikesell: Chap. 14
Aronson & Schwartz, Chap. 3 (Suggested Readings)

FINAL COURSE EVALUATION