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PAD 670 is intended to bring together specialty aspects of public financial management such as economic and political implications, practical skill building, operational financial administration issues and tactics, and accounting principles and approaches, and integrate these disparate segments of public finance. The emphasis is on policy-level implications and strategies of public financial management, strategies of executive planning and analysis and management of the financial sector of public organizations.

This semester PAD 670 will focus on the public and organizational policy implications of the public financial management system. More specifically the course will be divided into three main sections. The first section, one-half of this course, will focus on strategies that governments (especially at the national level) use to manage the economy. The characteristics of such economic strategies as fiscal policy, monetary policy, and income policy will be described, and the advantages, disadvantages, and inherent assumptions of each policy instrument will be examined. The purpose of such an examination will be to develop the capability to design economic policy to achieve specific goals of economic balance, justice, and/or growth.

In section two of the course the need for, and the characteristics of, an integrated financial management system will be discussed. The potential of such a system, linking budgeting, accounting, and auditing for the improvement of organizational performance will be examined. This topic will take up approximately one-fourth of the semester. Another one-fourth of the semester will be spent examining the topic of shaping and implementing community public policies through the public revenue system. Additional miscellaneous topics will include current trends in intergovernmental relations and the applicability of Expert Systems to public financial management.

There will be three "take-home" graded assignments, one project for each of the three sections of the course.

The Department of Public Administration views PAD 670 as the capstone course of the Financial Management concentration in the MPA program. This course is also required in the Public Management track for the Doctor of Public Administration Degree. It is expected that course participants will have taken courses equivalent to PAD 609 and ECO 616. It would also be desirable for participants to have been exposed to courses that have the content equivalent to PAD 622.
GOAL OF THIS COURSE

The goal of this course is for you to develop sufficient knowledge and understanding of the elements of the public financial management system to be able to utilize these elements in implementing specific strategic and administrative public sector policies.

GENERAL OUTLINE OF THE COURSE

The first session will be devoted to an overview of the course goals, contents and its requirements. This session will also explore the need for government in a “market-dominated” economy, the growth of government over the past ninety years, and the goals of economy management in a “mixed-economy.”

In Session II we will discuss key terms and measures in economy management such as Gross National Product, inflation and unemployment, and describe key indicators that are used to measure the status of the national economy. Class participants will report resources that measure, describe and discuss the current economic status.

During Session III the economy management strategy of "Fiscal Policy" or "The Keynesian Approach" will be examined in detail, and its advantages, disadvantages and inherent assumptions will be discussed. "Monetary Policy" will be explored in the same manner in Session IV. "Supply Side" approaches to economy management will be described and discussed during Session V. Session VI will explore the parameters of an economic recovery program.

Session VII will be spent with the participants reporting on video tapes and other resources describing current suggestions for managing the economy, with Session VIII spent catching up—reviewing the economy management material covered to date, participants reporting on other resources, and discussing miscellaneous international macro-economies topics.

During Session IX various changes in the existing patterns of intergovernmental relationships will be examined.

In Session X a description and discussion of the concept of an Integrated Financial Management System will be provided. The application of this concept, through case analysis, to the mitigation of specific public organizations performance deficiencies will be the focus of Session XI.

Session XII will begin our treatment of the use of the public sector revenue system to shape community policies. This session will focus on some aspects of "Public Choice Theory" and this theory’s implications for our topic. In Session 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. Special 
emphasis will be placed on the "Regulatory / Neutrality" criteria. In Session XIV the class will focus 
on positive and negative regulatory consequences of specific taxes, user charges and cash 
management practices. Class participants will have the opportunity to discuss their approach to the 
third assignment during Session XV. The applicability of micro-computer applications such as 
Expert Systems and Decision Support Systems to public financial management will be discussed in 
Session XVI.

SPECIAL RESOURCES THAT WILL BE USED IN THIS COURSE

Texts:

Rivlin, *Reviving the American Dream*
Library)
Schultze, *The Public Use of Private Interest*

Class participants are urged to read the daily papers and other current journals for relevant 
articles. Be familiar with relevant television programs, especially on PBS, CNN, C-Span, and 
CNBC. 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
Policy Sciences
Administrative Science Quarterly
Policy Analysis
Government Accountants Journal
Public Interest
National Tax Journal
Public Management
State Government
Government Finance
Advisory Commission on Intergovernmental Relations Reports
Urban Finance Quarterly
Municipal Yearbook
American Economic Review
Business Week
Wall Street Journal
Forbes

*Be sure to be familiar with the endnotes and references in your readings.*
I am sure that you find will the various computerized databases in the library, such as Psych Lit, Wils (a social science database), ERIC (an education database), DISS (dissertation abstracts) and NABS (newspaper abstracts), as well as ABI (a business/management data base), useful in carrying out your research. Be sure to discover the resources available in Government Documents section of the library as well. "Surf" the Internet and World Wide Web to discover the wide variety of resources it contains. The PAD program has arranged a training session on the library databases and the use of the Internet/WWW to be held during the early part of the semester.

PARTICIPANTS’ RESPONSIBILITIES

You should be alert to the fact that sixteen (16) three hours sessions have been scheduled for this course during this term. The last session will be held during the examination week. This year I am serving as a Senior Municipal Finance Specialist with the Urban Institute. My assignment is on the USAID financed "Modernizing Local Government Financial Management in Hungary." This assignment means that there will be no classes during the weeks of September 9th and October 28th. THESE SESSIONS WILL BE MADE UP. Dates will be decided at the 2nd class session.

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 three (3) written graded assignments:

Assignment I: The use of Economy Management Strategies to achieve economic goals
   Due Session IX, 45% of grade

   Due Session XII, 25% of grade

Assignment III: Using Revenue Management to implement community policies
   Due Session XV, 30% of grade

Detailed descriptions of the assignments are provided at the end of this syllabus. ALL ASSIGNMENTS MUST BE TURNED IN NO LATER THAN TWO DAYS AFTER THE SESSION INDICATED. 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 four 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. 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.

IN ADDITION EACH PARTICIPANT WILL BE EXPECTED TO READ THE CLASS ELECTRONIC BULLETIN BOARD BEFORE EACH CLASS SESSION AND TO POST AN ARTICLE AT LEAST ONCE EVERY TWO WEEKS.

THERE WILL BE NO FINAL GRADE OF B- ISSUED IN THIS COURSE. ANY GRADE THAT IS BELOW GRADUATE LEVEL (B) WILL BE GRADED AT BEST A "C".

At the end of this syllabus 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 shared useful resources and to discuss your potential responses to these assignments. However cheating, plagiarism, the facilitation of academic dishonesty, abuse of academic materials, stealing or lying will be considered violations of the VCU Honor System.

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.

I strongly urge you to use, during this course, 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 with and comply with the University’s "Ethics Policy on Computing," which can be found in the VCU Resource Guide.
You should be aware of the conditions of the VCU’s Grade Review Procedure (which can be obtained from the Graduate Office).

**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 1:30 until 3 pm on Tuesdays and Thursdays, and from 4 - 7 pm on Wednesdays. I can be available for appointments at these times, before and after the class sessions, and most evenings. You can take your chances on "dropping in" on 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 to either my office or my home. If you come by in the evenings when the front door is locked, come all the way around the building to the 3-4 steps leading down to the PA Conference Room and knock on the door. Also, if you try to call me when the PA telephone is not answering or goes directly to voicemail, call my line directly.

As an instructor, I am concerned about the equality of access to education. 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

Session I  INTRODUCTION TO COURSE-THE NEED FOR AND ROLE OF GOVERNMENT IN A MARKET ECONOMY

Assignment I--Due Session IX

Session II  KEY TERMS AND INDICATORS OF THE STATUS OF THE NATIONAL ECONOMY

Session III  STRATEGIES FOR MANAGING THE ECONOMY: FISCAL POLICY

Session IV  STRATEGIES FOR MANAGING THE ECONOMY: MONETARY POLICY

Session V  STRATEGIES FOR MANAGING THE ECONOMY: SUPPLY-SIDE POLICIES

Session VI  ECONOMY RE-VITALIZATION POLICIES: PARAMETERS OF SUGGESTED POLICIES

Session VII  ECONOMY MANAGEMENT STRATEGIES: STRATEGIES FOR MANAGING THE ECONOMY-REVIEWING CURRENT SUGGESTIONS

Session VIII  REVIEW AND CATCH-UP

Session IX  REINVENTING INTERGOVERNMENTAL RELATIONS

Session X  LINKAGES: IMPROVING PUBLIC ORGANIZATIONAL PERFORMANCE THROUGH AN INTEGRATED FINANCIAL MANAGEMENT SYSTEM

Assignment II--Due Session XII

Session XI  INTEGRATED FINANCIAL MANAGEMENT SYSTEM (Cont)

Session XII  PUBLIC CHOICE THEORY

Assignment III--Due Session XVI

Session XIII  CRITERIA FOR ASSESSING PUBLIC REVENUES

Session XIV  REGULATORY CONSEQUENCES OF PUBLIC REVENUES

Session XV  IMPLEMENTING PUBLIC POLICIES THROUGH THE APPROPRIATE USE OF PUBLIC REVENUES

Session XVI  MICRO-COMPUTER APPLICATIONS IN PUBLIC FINANCIAL MANAGEMENT
**Session I**
INTRODUCTION TO COURSE-THE NEED FOR AND ROLE OF GOVERNMENT IN A MARKET ECONOMY

Readings:
Rivlin: Chps. 1-5
Schiller: Chps. 1-4

**Session II**
KEY TERMS AND INDICATORS OF THE STATUS OF THE NATIONAL ECONOMY

Readings:
Schiller: Chps. 5-7

**Session III**
STRATEGIES FOR MANAGING THE ECONOMY: FISCAL POLICY

Readings:
Schiller: Chps. 8-12

**Session IV**
STRATEGIES FOR MANAGING THE ECONOMY: MONETARY POLICY

Readings:
Schiller: Chps. 13-15

**Session V**
STRATEGIES FOR MANAGING THE ECONOMY: SUPPLY-SIDE POLICIES

Readings:
Schiller: Chps. 16-17

**Session VI**
ECONOMY RE-VITALIZATION POLICIES: PARAMETERS OF SUGGESTED POLICIES

Readings:
Schiller: Chps. 18-19
Video Tapes: Clinton's Economic Summit
**Session VII**
ECONOMY MANAGEMENT STRATEGIES: STRATEGIES FOR MANAGING THE ECONOMY-REVIEWING CURRENT SUGGESTIONS

Resources:
C-Span Video Tapes

**Session VIII**
REVIEW AND CATCH-UP

**Session IX**
REINVENTING INTERGOVERNMENTAL RELATIONS

Readings:
Rivlin: Chps. 6-10

**Session X**
LINKAGES: IMPROVING PUBLIC ORGANIZATIONAL PERFORMANCE THROUGH AN INTEGRATED FINANCIAL MANAGEMENT SYSTEM

Readings:
Wooldridge: "Towards the Development of an Integrated Financial Management System"
Hayes: Linkages, Chps. 1-5 (on reserve)

**Session XI**
INTEGRATED FINANCIAL MANAGEMENT SYSTEM (Cont)

Readings:
Hayes, Linkages, Chps. 6-10 (on reserve)

**Session XII**
PUBLIC CHOICE THEORY

Readings:
Schultze
Miscellaneous Handouts

**Session XIII**
CRITERIA FOR ASSESSING PUBLIC REVENUES

Readings:
Wooldridge, "Revenue Planning for the Public Sector"
Spain & Wooldridge, "Financing Local Government in the 1980s"
Wooldridge, Gillespie & Bowen, "Trends in Financing Local Governments: Some Policy
Implications"
Valais, "The Power of Linked Deposits"

Session XIV
REGULATORY CONSEQUENCES OF PUBLIC REVENUES

Readings: Miscellaneous Handouts

Session XV
IMPLEMENTING PUBLIC POLICIES THROUGH THE APPROPRIATE USE OF PUBLIC REVENUES

Session XVI
MICRO-COMPUTERS APPLICATIONS IN PUBLIC FINANCE