This course focuses on the tools and techniques of managing government and non-profit budgets and financial decision-making within public service organizations. Topics include payroll projection and management, purchasing and procurement, contracting for services, budget analysis and planning, budget management and reporting, fund and revenue management, cash management and the importance of internal controls and financial control systems.

PAD 659 is an extension of the knowledge learned in PAD 501 (and the fun you had in Welcome Week!). Using a case-based skills approach, it provides practical and specific information and tools and techniques on how budgets are developed and managed, what is inside a governmental or non-profit budget, and how operating, capital, cash and revenue budgets relate to each other, both on an annual and multi-year basis. As a successor course to PAD 501, this course fits with students pursuing concentration clusters in Public Economics and Finance or Public Management (including Nonprofit and Local Government Management).

Course Objectives and Description

The primary objective of this course is to teach you the skills associated with managing the finances of governmental and not for profit organizations. It is not primarily a budgeting process or theory course (although such elements are necessarily involved); it is more focused on the hands-on tools and techniques involved in financial management in the public service sector. The goal of the course is to enable students to apply basic financial management methods and understand financial management principles in a variety of work settings, including within a program office, an agency budget or finance office, a central budget office, or in an operating non-profit. Financial management is the core element in the management of any organization. Successful managers understand how financial management works, where the numbers come from and what the numbers mean, and how “managing the numbers” enables the organization to deliver program outcomes.
This course uses a variety of source materials including financial procedure manuals (and related documents) from both the Federal and State (primarily New York) government levels, local government and non-profit organization budget documents, and a variety of special studies and reports. Most of these materials will be available on-line (and/or through Blackboard). In addition, case studies based on both actual and hypothetical public service organizations will be used as the basis for graded class assignments and examinations.

Upon successful completion of PAD 659, students will be able to:

a) Analyze and summarize financial information of public service organizations, including budgets, reports, audits and financial statements
b) Present financial information, in various ways (written, verbal, by spreadsheet)
c) Develop budgets and budget plans in a complex environment
d) Discuss and weigh financial decisions, including the development of alternative strategies to address fiscal challenges
e) Demonstrate and apply critical financial skills, methods and tools

Contact Information:
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Phone (Cell): 518-929-5327 (back-up)
Office Hours: Wednesday and Thursday 4:00 – 5:30
(please call or email so I know you’re coming)

Course Requirements:

• Prerequisite – PAD 501 Public and Non-Profit Financial Management

• Required – internet access, spreadsheet (Excel) skills and calculator

• Text – There is no required text (for purchase) at this time.

• Other Required Reference: Financial Management, S. Finkler (the text for PAD 501). If you gave this away or sold it, get it back!

• Required on-Line Resources (provided):

• FME -- Financial Management Essentials: A Handbook for NGOs, Mango (Management and Accounting for Non-Governmental Organizations), 2013.

• NASBO – Budget Analyst Training Program, training curriculum by the National Association of State Budget Officers (NASBO), 2014.

• Manuals:
  ▪ GSA Acquisition Manual, US General Services Administration, Office of Acquistion Policy, 2004
  ▪ New York State Procurement Guidelines, State Procurement Council, Office of General Services, 2009
  ▪ New York State, Internal Control Guidelines, 2009
  ▪ Others – to be provided

• Optional Texts and References:
  ▪ Financial Management and Accounting in the Public Sector (Bandy, G.), Routledge, 2011.

  On-line resources will be provided on Blackboard (Resources folder, usually).

Grading and Assignments

1. Attendance. I do not take attendance. However, it is VERY STRONGLY encouraged as the nature of the course is such that MOST of the material will be provided through instruction and discussion IN CLASS. Course information is presented cumulatively. It will be VERY DIFFICULT for
students to make up for the missed class materials and information. If you are unable to attend a class, you should contact me in advance, if possible, and/or make arrangements with other students to obtain materials, information, announcements, etc.

2. **Assignments**. Written homework will be assigned weekly. Written assignments are due before (or AT THE START) of class. If you are going to be late or absent from class, written assignments should be placed in my mailbox in Milne before 5:30 PM or emailed to me (pfinn@albany.edu) before 6:00 PM on class night (Tuesday). Missing or late assignments will receive a zero grade and there will be no make-up or extra credit assignments. Assignments must be typed and printed on 8 ½ x 11 paper and stapled (including printed spreadsheets); assignments submitted via email should be formatted for printing and presentation as above (especially spreadsheets!).

The weekly assignments will be posted on Blackboard at least one week in advance (generally on the night of class for assignments due the following week). As the material is assigned before it is presented in class, these weekly assignments will be graded on a “best effort” basis; assignments are to be timely and complete and represent your “best effort.” Be sure to answer all the questions (and parts of questions). Be direct. Points will be deducted for incomplete and insufficient responses. Doing “just the minimum” at the last minute is not a successful strategy.

3. **Readings**. Weekly reading assignments also are required. These complement the written homework and will be discussed in class and content may be included on graded examinations.

4. **Manuals and Reports**. This course uses a number of “real sources” including procedure manuals and guidelines, budget documents, reports and white papers, etc. These can be very lengthy and are not designed for leisure reading. However, they are a very necessary part of financial management in public sector; you can expect to spend a substantial amount of time in your career reading, writing and interpreting such documents – frequently under considerable time pressure -- so get used to it. It is a learned skill to be able to wade through such documents effectively and to find the information you need quickly – and then be able to apply it in the work setting. Expect to discuss these assigned readings in class. Elements of those readings and discussions may be tested for, as well.

5. **Grading**:
   - Written (weekly) Assignments (10) – 30%
   - Organizational Diagnosis Project
Preliminary Analysis – 5%
In-Class Presentation – 10%
Written Report – 20%
Final Exam – 35%

The conversion from percentages to letter grades is as follows:

\[
\begin{align*}
A &= 93+ \\
A- &= 90-92 \\
B+ &= 87-89 \\
B &= 83-86 \\
B- &= 80-82 \\
C+ &= 77-79 \\
C &= 73-76 \\
C- &= 70-72 \\
D &= 60-69 \\
F &= <60
\end{align*}
\]

“Organizational Diagnosis” Project

Critical to “managing public service organization finances” is the ability to research, analyze and present budget and financial information and make recommendations for action. This project has three parts: a written preliminary written analysis, a more detailed analysis and an in-class presentation, and a written report (with recommendations) due at the end of the term. Together, these three assignments account for 35% of the final grade. Details to be provided! See Blackboard folder.

Expectations (Mine)

This is both a 600-level and a hands-on (practical) topic. The way to succeed is to approach the assignments professionally, as if they were “real work”, not simply “class”, assignments. What this means is that assignments should be formatted for printing (especially spreadsheets), that spreadsheet work should use good formatting and modeling (I shouldn’t have to hunt for your answers), and that any “role play” written work (e.g., “memos to the boss”) should keep using the proscribed format and tone. Financial management is as much art as science: if you find “there’s a piece of information missing” that you feel you need to complete the assignment, I expect that you to try to figure it out or find the answer yourself (the web is a great resource). If this means you need to note your assumptions (and sources) to get to the answer, then please do that.

As this is a “hands on” (practical) course, you will be more successful if you fully engage in the material. I expect you to bring questions to class for discussion. If you don’t understand something, ask. If you aren’t already, I also expect that you will keep current with “financial management in-the-news”, including budget news stories, scandals and audits, and white paper reports, through such sources as the newspapers (Albany Times Union and Capital Confidential blog site, NY Times and Washington Post) and such sites and services as governing.com, govexec.com, govmanagement.com, icma smartbrief, the Federal Times, GAO reports and so on.
Blackboard

A Class Page has been created on Blackboard. Assignments and required readings will be posted at least one week before the class they are due. Class notes (Power Point slides) will be posted prior to class each week.

CLASS SCHEDULE

• Class #1: January 26  
  o Introduction  
  o Requirements / Expectations  
  o Budgets and Implementing Public Policy  
  o Marginal Thinking

• Class #2 February 2  
  o No regular class meeting  
  o Class Materials on-line (The “No Right Answer” Budget Process Quiz)  
  o Assignment #1 (3) Due (by email, by 6:00 pm Feb 2nd)  
  o Quiz – “score sheet” due (by email) by 6:00 pm Fri Feb 5th

• Class #3: February 9  
  o Financial and Budget Analysis  
  o Introduction to Organizational Diagnosis Project  
  o Assignment #2 (3) Due

• Class #4: February 16  
  o How Do Organizations Get Things Done?  
  o Budgeting and Budget Preparation  
  o Assignment #3 (3) Due

• Class #5: February 23  
  o Staffing and Payroll (Part 1)  
  o Workload and Staffing  
  o Annual vs. Other Pay Basis  
  o Benefits  
  o Assignment #4 (3) Due

• Class #6: March 1  
  o Staffing and Payroll (Part 2)  
  o Projecting and Managing Payroll  
  o Organization Diagnosis Project – Part 1 (5) Due
• Class #7: March 8
  o Procurement: Commodities
  o Purchasing and Bidding
  o Receiving, Payment and Logistics
  o Projecting Quantities and Costs
  o Assignment #5 (3) Due

• No Class March 15th (Spring Break)

• Class #8: March 22nd
  o Procurement: Services
  o RFPs and Contracts
  o Assignment #6 (3) Due

• Class #9: March 29th
  o Organizational Diagnosis Part 2 – In Class Presentations (10)
  o Guest Lecture
  o Managing Budgets

• Class #10: April 5th
  o Budget Development
  o Budget and Financial Planning Models
  o Multi-dimensional Budgeting
  o Assignment #7 (3) Due

• Class #11: April 12th
  o Forecasting / Budget Justification
  o Types of Costs
  o Base Budgets and Budget Cutting
  o Assignment #8 (3) Due

• Class #12: April 19th
  o Budget Management and Reporting
  o Chart of Accounts
  o Budgeting vs. Accounting
  o Allocation and Control
  o Assignment #9 (3) Due

• Class #13: April 26th
  o Revenue Management and Forecasting
  o Fees and Prices
  o Cash Management
o Assignment #10 (3) Due

- Class #14: May 3rd
  o Internal Controls
  o Risk Management
  o Financial Decision-Making
  o Wrap-Up
  o Organizational Diagnosis Part 3 - Report (20) Due

Final Exam – May 10th (tentative)

1/23/16