

**PPHA 58103 -
Public Finance and Budgeting**

Thursdays 6-7:50pm
Convene, 311 W. Monroe, "Forum" room
<https://canvas.uchicago.edu/courses/51906>

Justin Marlowe
jmarlowe@uchicago.edu
Keller Center 3061
773.899.3443

Office Hours: R 4:30-5:45pm at Convene
and by appointment

TA: Praveen Kumar
praveenkumar@uchicago.edu

Office Hours: TBD

Background and Goals

Upon completing this course you will be equipped to participate in the "financial conversation" within your organization, and to offer informed insights on today's key budget and fiscal policy debates.

In particular, you will be able to:

- Compare and contrast the revenue and expense/expenditure structures for government and non-profit organizations.
- Evaluate a non-profit organization's financial health, the most pressing threats to that health, and strategies to improve it.
- Evaluate a government's financial condition, the most pressing threats to that health, and strategies to improve it.
- Understand how accounting principles and practices shape a public organization's financial statements.
- Apply the principles of cost analysis, cost allocation, and cost-based decision making to real-world problems in policy analysis, program design and policy implementation.
- Understand the key institutions, processes, incentives, and politics that shape how public organizations craft their budgets and fiscal policies.
- Recognize and consider the key ethics and accountability challenges that surround public sector resource allocation.

Required Materials

There is one required textbook: Kioko, Sharon and Marlowe, Justin (2023). *Financial Strategy for Public Managers* ("4th edition"). It contains most of the material we'll cover. It's available electronically through Canvas. I may also assign newspaper articles, policy briefs, or other short readings throughout the quarter. I've also identified several optional readings you might find useful. Watch the Canvas page throughout the quarter for updates.

How This Course Will Work

This course is organized around four main components. Think of them as a sequence of four steps that you'll repeat each week throughout the quarter:

1. Readings introduce the core concepts and offer a few introductory examples.
2. I've recorded several short lectures in Panopto. Each week's pre-recorded lectures are intended as a substitute for one hour of in-person instruction (That's why we'll meet in person for two hours each week rather than three hours). In those lectures I reinforce the concepts introduced in the readings, and explain how to apply the material in the context of contemporary public policy analysis and debate. Watch the lectures (multiple times, if necessary), take notes, and come to class prepared to discuss.
3. Each week's readings and lectures are accompanied by a series of practice problems. These problems are a self-diagnostic. You should complete them and check your answers against the sample solutions provided. You don't need to turn in your answers to these problems, but you will find these problems helpful - necessary, in fact - as you prepare for the final exam.
4. Most weeks you'll also work in groups on cases and other interactive exercises. Those group activities are your opportunity apply the technical skills you've learned to some of the ethics, accountability, and other challenges we often encounter in public budgeting and finance. We'll also spend some of this time considering Covid-19's vast impacts on public finance and budgeting. During certain weeks individual groups will also present to the entire class.

Each class meeting will follow roughly the same schedule. I'll start with a roughly one hour lecture where I'll field your questions from readings, pre-recorded lectures, and practice problems, and share some additional examples of more complex or nuanced applications of the course material. Time permitting, I'll also speak to relevant current events. Following a short break, we'll then typically break into small groups for roughly 20 minutes to discuss the topic posed in the pre-class material. Then we'll reconvene as a class for the rest of class to hear small groups report back, and cover any remaining questions or concerns.

This course is planned as an in-person experience, and students are expected to attend class at Convene. That said, of course, public health and/or personal health circumstances vary across individual members of the University community and may change abruptly with limited notice. Please be sure to contact the TA or Professor Marlowe if you aren't able to attend in person.

Note that we will meet remotely twice due to scheduling conflicts at Convene. Those dates are October 12 and November 16.

Grading

Assignments and exams are weighted as follows:

Assignment	% of Your Grade
Case Assignment 1	35%
Case Assignment 2	35%
Final Exam	20%
Participation	10%

See the Canvas page for assignment instructions and grading rubrics.

The final is a take-home exam administered through Canvas. It will become available to you on Friday, December 1. It must be submitted by Friday, December 8 at 11:59pm.

Your participation grade is based on your interactions with your weekly small groups. Everyone will receive the full participation grade so long as they participate in the group work. That means coming to class having completed all the relevant readings and group work preparation; sharing your views during group discussions; offering relevant experiences to help illustrate course concepts and extend your group's understanding of the material; and participating in group presentations, especially presentations to the entire class. I reserve the right to reduce your participation grade if there's any reason to believe you've been a less-than-engaged group member.

All grading for this course is anonymous. To that end, please do not include any identifying information on your submitted assignments.

The EMP administration requests a final grade distribution that is roughly as follows: 1/8 of the class will earn an "A", 1/4 will earn an "A-", 1/4 will earn a "B+", one-quarter will earn a "B", and 1/8 will earn a "B-" or below.

I will follow the University of Chicago's standard letter grade to GPA scale. The final course percentages that correspond to each grade are listed here. I may adjust the final course percentage ranges if necessary:

Grade	GPA	Final Course %
A	4.0	>98
A-	3.7	95-98
B+	3.3	92-94
B	3.0	88-91
B-	2.7	65-87
F	Fail	<65
Inc.	Incomplete	

Other Course Policies

- Attendance is not mandatory but please do let me know at least a week in advance if you know you need to miss a class. We'll move quickly through a lot of material, and you can easily fall behind. If you have to miss a class, whether it's a planned or unplanned, I'll be happy to meet with you during office hours or some other mutually agreeable time to answer your questions and concerns about what we covered during the class you missed.
- Please submit all assignments through Canvas by 11:59pm on the due date. Some assignments will require that you submit an accompanying Excel workbook. I'll also share feedback on your assignments through Canvas.
- We will use Excel often throughout this course. Be sure to review the "Excel Refresher" on Canvas to acquaint or re-acquaint yourself with Excel as necessary.
- I'll hold my office hours Wednesdays from 4:30-5:45pm at Convene. Look for me at one of the tables in the common area. I'm also happy to arrange a meeting outside of office hours via Zoom or at Keller.
- A late assignment will be penalized by a 10% grade reduction if it is submitted within 24 hours of the due date/time, and an assignment submitted 24-48 hours after the due date/time will be penalized by a 20% grade reduction. I cannot accept assignments more than 48 hours after the due date/time without prior notice. If you know you won't be able to complete an assignment by the deadline, please let me know immediately and we'll see if we can work out an alternative deadline.
- If you would like to contest a grade, you must do so in writing within one week of receiving your grade for that assignment or exam. Please follow the following process for contesting a grade:
 - Submit an email to the Teaching Assistant and include your reasoning for why you are requesting a re-grade referencing the suggested solutions.
 - The TA will respond by re-grading your entire assignment or exam according to their grading rubric. Note that this could result in your grade going up, going down, or staying the same.
 - If you choose not accept the TA's response and re-grade, then please forward your request to me and I'll re-grade your assignment or exam.
- There is no required citation style or other requirements for written assignments.
- If you have specific questions about the assignments, e-mail the TA. If you have questions about the readings, lectures, or practice problems, you'll likely find it helpful to first consult the discussion thread on Canvas. I'll monitor that thread and add to it periodically throughout the week. There's a good chance someone else has the same question and has posted it to that thread. That said, you should feel free to e-mail me at any time on anything related to the course, and I'll do my best to reply quickly.

- The University has developed specific policies and procedures regarding the use of video/audio recordings. According to those policies and procedures, by attending course sessions, you acknowledge that:
 - You will not: (i) record, share, or disseminate University of Chicago course sessions, videos, transcripts, audio, or chats; (ii) retain such materials after the end of the course; or (iii) use such materials for any purpose other than in connection with participation in the course.
 - You will not share links to University of Chicago course sessions with any persons not authorized to be in the course session. Sharing course materials with persons authorized to be in the relevant course is permitted. Syllabi, handouts, slides, and other documents may be shared at the discretion of the instructor.
 - Course recordings, content, and materials may be covered by copyrights held by the University, the instructor, or third parties. Any unauthorized use of such recordings or course materials may violate such copyrights.
 - Any violation of this policy will be referred to the Area Dean of Students.

Academic Integrity

All University of Chicago students are expected to uphold the highest standards of academic integrity and honesty. Among other things, this means that students shall not represent another's work as their own, use un-allowed materials during exams, or otherwise gain unfair academic advantage.

- The University's policies regarding academic integrity and dishonesty are described here. It is worth explicitly stating the University's approach here: "It is contrary to justice, academic integrity, and to the spirit of intellectual inquiry to submit another's statements or ideas as one's own work. To do so is plagiarism or cheating, offenses punishable under the University's disciplinary system. Because these offenses undercut the distinctive moral and intellectual character of the University, we take them very seriously."
- The Harris School's policies are available in the Harris Student Handbook Canvas site.
 - The Academic Honesty and Plagiarism section expresses the main principles.
 - Detailed guidelines for more specialized student work (e.g., problem sets including computer code) are offered in the section titled Harris Integrity Policy for Problem Sets Involving Code.
 - Harris's specific procedures for handling suspected violations of these policies are available in the section Harris Procedures for Allegations of Plagiarism, Cheating, and Academic Dishonesty and are also re-produced as an Appendix to this syllabus.
 - All students suspected of academic dishonesty will be reported to the Harris Dean of Students for investigation and adjudication. The disciplinary process can result in sanctions up to and including suspension or expulsion from the University.

- In addition to disciplinary sanctions, I will impose a grade penalty of "X" for students who have committed academic dishonesty.
- Other penalties for violations could be imposed instead, alone or in combination. For example:
 - * Students will receive a grade of 0 on the exam or problem set in question as well as the next lowest problem set grade. This will often result in the student earning a failing grade in the course.
 - * The student will receive a grade of 0 on the exam or problem set in question and cannot earn higher than a B- in the course, regardless of their performance on other assignments and exams.
 - * At the instructors' discretion, the student may receive a failing grade for the course regardless of their performance on elements of the course.
 - * Students found in violation of academic dishonesty will receive a failing grade in the course.
 - * The student will receive a grade of 0 on the assignment or exam in question (subject to the discretion of the instructor).
 - * The student may be asked to re-do the assignment or retake the exam (without credit) to ensure that the student has learned how to properly cite sources or demonstrate that he or she has command of material covered.

Disability Accommodations

The University's policies regarding students with disabilities are available here. Students who have disability accommodations awarded by the University Student Disability Services Office should inform the Harris Dean of Students office by the end of the first week of class. The Harris Dean of Students Office will work with the student and instructor to coordinate the students' accommodations implementation.

Harris students are not required to submit their accommodations letter to the instructor. Students from other divisions in the University must submit their accommodations letter to either the instructor or the Harris Dean of Students Office.

Students who do not yet have formal accommodations in place but who feel they need accommodations on a temporary or ongoing basis should contact the Harris Dean of Students Office or Student Disability Services.

Diversity and Inclusion

The Harris School welcomes, values, and respects students, faculty, and staff from a wide range of backgrounds and experiences, and we believe that rigorous inquiry and effective public policy problem-solving requires the expression and understanding of diverse viewpoints, experiences, and traditions. The University and the Harris School have developed distinct but overlapping principles and guidelines to insure that we remain a place where difficult issues are discussed with kindness and respect for all.

- The University's policies are available here. Specifically, the University identifies the freedom of expression as being "vital to our shared goal of the pursuit of knowledge, as is the right of all members of the community to explore new ideas and learn from one another. To preserve an environment of spirited and open debate, we should all have the opportunity to contribute to intellectual exchanges and participate fully in the life of the University."
- The Harris School's commitments to lively, principled, and respectful engagement are available here and are summarized as follows: "Consistent with the University of Chicago's commitment to open discourse and free expression, Harris encourages members of the leadership, faculty, student body, and administrative staff to respect and engage with others of differing backgrounds or perspectives, even when the ideas or insights shared may be viewed as unpopular or controversial." We foster thought-provoking discourse by encouraging community members not only to speak freely about all issues but also to listen carefully and respectfully to the views of others.

Schedule

Note: See the course Canvas page for a detailed schedule

Date	Topics	Assignment Due
Before Class	Pre-Class Materials	
September 28	How We Pay for the Public Sector	
October 5	Financial Statements for Non-Profits	
October 12	Financial Statements for Governments (remote)	
October 19	Financial Statement Analysis	
October 26	Accrual Accounting	Case Assignment 1
November 2	Fundamentals of Cost Analysis	
November 9	Cost Allocation and Budget Variance	
November 16	Budget Systems and Concepts (remote)	
November 23	No Class - Thanksgiving Break	
November 30	Catch Up and Review	Case Assignment 2
December 8	Final Exam Due	Final Exam

Note: This schedule is subject to change.

Appendix: Full Harris Academic Integrity Procedures

Procedures for Allegations of Plagiarism, Cheating, and Academic Dishonesty

First Violation

If a student is accused by an instructor or teaching assistant of plagiarism, cheating, or any other form of academic dishonesty, the student will be summoned to meet with the Dean of Students and the instructor. In the meeting, the student and instructor both present information about the situation. If it is determined by the instructor and the Dean of Students that the student has, in fact, plagiarized or cheated, the following sanctions will be imposed for the first violation:

- The student will generally receive a grade of 0 on the assignment or exam in question. Please note that grading decisions are fully at the discretion of the instructor, who may decide to impose harsher grade penalties.
- The student may be asked to re-do the assignment or retake the exam (without credit) to ensure that the student has learned how to properly cite sources or demonstrate that he or she has command of material covered.
- A formal letter of finding is sent to the student stating that the student has been found in violation of the code of academic honesty and what the sanctions were. The letter, along with any evidence presented, is archived in Harris Student Affairs records until the student graduates if the student has no other violations.
- Students found in violation of the academic honesty policy are not permitted to withdraw from the course to avoid grade penalties from the instructor.
- In cases where plagiarism or academic dishonesty is egregious, the case may be referred to the Area Disciplinary Committee even on a first offense. The Dean makes all decisions about which cases will go before the Area Disciplinary Committee.

Second Violation

If a student who has already been found in violation academic dishonesty is again accused of academic dishonesty, the case will be sent to the Harris Area Disciplinary Committee. Details about the Area Disciplinary Committee procedures can be found in the University Student Manual. Information about the first violation, including the formal letter of finding any evidence, will be presented to the Area Disciplinary Committee, along with evidence of the current allegation. If the student is found in violation of academic honesty a second time, the Area Disciplinary Committee can assign sanctions including transcript notes, disciplinary probation, suspension or expulsion from the University.

Academic Dishonesty Appeals

If a student has been found in violation of academic honesty and does not believe that either the finding or the sanction is fair or correct, the student has the right to appeal the finding by requesting a hearing from the Area Disciplinary Committee. More information about the Area Disciplinary Committee is available [here](#).