

# **PUBPOL 522C: FINANCIAL MANAGEMENT AND BUDGETING AUTUMN QUARTER 2018**

**Class Section C: Monday, 5:30pm - 8:20pm**  
**Paccar Hall 192**

**Quiz Section CA: Wednesday, 4:30pm – 5:20pm**  
**Denny Hall 259**

**Quiz Section CB: Friday, 2:30pm - 3:20pm**  
**Parrington Hall 108**

**Course Website:** <https://canvas.uw.edu/courses/1224668>

---

Instructor: Sharon N. Kioko, PhD  
[skioko@uw.edu](mailto:skioko@uw.edu)  
Parrington Hall 209B  
O: 206.221.6356

Office Hours: Mon & Wed: 2:00pm – 4:00pm  
and by appointment

Teaching Assistant: Emily Finchum  
[efinch@uw.edu](mailto:efinch@uw.edu)

Office Hours: Monday: 11:00am – 1:00pm  
Room: Parrington Hall **TBD**

## **Description and Objectives:**

By the end of this course, students will be able to:

1. Identify, compare, and contrast the basic revenue and expense/expenditure structures for different types of public sector organizations. Understand how financial resources flow vertically and horizontally through intergovernmental relationships and cross-sector sharing.
2. Evaluate an organization's financial health and the most pressing threats to that health; identify strategies that improve on the organizations financial position and operating performance.
3. Persuasively communicate strategies to a set of key-stakeholders and successfully advocate in support of a program or organization.
4. Determine what public sector programs and services cost. To make those determinations you will apply the principles of cost analysis, cost allocation, and cost-based decision making.
5. Prepare the four essential financial management spreadsheets for a public organization – 1) operating budget; 2) program budget; 3) cash flow forecast; and 4) financial ratio analysis – and use those spreadsheets to inform critical decisions about program design, personnel management, resource allocation, and policy development.
6. Understand the key institutions, processes, incentives, and politics that shape how public organizations allocate their scarce financial resources.

## **Required Materials:**

There is one required textbook: **Kioko, Sharon and Marlowe, Justin (2017). *Financial Strategy for Public Managers (2ed)***. It includes all the relevant cases, exercises, and other materials for the course. It's currently available [electronically](#) and at the University Bookstore.

I may also assign newspaper articles or other short readings throughout the quarter. Watch the Canvas page for updates.

## **Course Policies:**

- Class begins at 5:30pm and continues until 8:20pm. We will typically take a short break about halfway through. Please arrive promptly.
- Please let me know immediately if you have a disability that might inhibit you from demonstrating your comprehension of the course material. I will make appropriate accommodations.
- I encourage you to bring a notebook or tablet computer to class, but please do not spend time in class using social media or doing work not related to this class. If you can't fully engage, stay home.
- Try to communicate with me in person. To that end, I encourage you to come to office hours (Monday's and Wednesday 2:00pm through 4:00pm). Note I'll probably limit our meeting to fifteen minutes. That's not to discourage you from coming to office hours, but rather to make sure I can see as many students as possible. If you need more than fifteen minutes, or if you can't attend office hours, feel free to send me an email at [skioko@uw.edu](mailto:skioko@uw.edu) and list three times you're available to meet. I'll do my best to respond promptly. Note, I may also be able to address your questions before or after class, in the hallway around Parrington, or over the phone if you're off-campus.
- E-mail is an inefficient way to communicate with me, especially if your concern is time sensitive or if you need me to explain something in detail. If you absolutely must send an e-mail try to limit it to four or five well-written sentences, and try to pose your question in a way that I can respond with something close as possible to a simple "yes" or "no".
- Let me know if you plan to miss a class. Attendance is not required, but I'd appreciate knowing if you've missed several classes, mostly so that I can anticipate if you might need additional assistance or accommodations.
- You'll be expected to complete two assignments and two exams. Note, I do not offer extra credit in this course.

## **Course Structure and Expectations:**

You will learn through several modalities:

- Most class sessions will focus on conceptual and analytical material contained in the text. I'll frequently start with brief lecture to clarify and emphasize a few key points. To reinforce concepts, we'll review problems included in the text. I'll demonstrate solutions to those problems and answer questions. In some instances, I'll use a case to illustrate how the concepts and techniques you're learning inform decisions and strategies. To that end, you're expected to have reviewed the assigned reading materials in advance of class meetings and discussion sections.
- We've created a series of videos as a supplement to the lectures and readings. You can access these videos through Panopto on the course Canvas page. We strongly recommend that you watch each video prior the assigned quiz section or lecture meeting.
- Discussion sections will focus on applications and technical skills, in particular the "four spreadsheets" you'll need to complete in this course including: 1) operating budget; 2) program budget; 3) cash flow forecast; and 4) financial ratio analysis. Your section TA will demonstrate how to develop and use these spreadsheets and assist you as you prepare your own versions of those spreadsheets.

## Grading

Assignments and exams are weighted as follows:

<b>ASSIGNMENTS &amp; EXAM SCHEDULE</b>	<b>% OF YOUR GRADE</b>
Financial Statement Analysis (Wednesday, October, 24)	15%
Midterm Exam (Monday, November 5 in PACCAR Hall 192)	25%
Budget Strategy for Cascadia Hearing School (Wednesday, December 5)	25%
Final Exam (Monday, December 10 in PACCAR Hall 192)	35%
<b>TOTAL</b>	<b>100%</b>

**Assignments:** You will need to complete two assignments. Instructions for each assignment are posted on Canvas. You will submit your completed assignment (Microsoft Word and Excel – **no PDFs please**) on Canvas. Be sure to check you have submitted the correct files. Note: I do not accept assignments submitted to me via email. I will also not accept assignments that are submitted late without prior arrangement.

- “*Financial Statement Analysis*”: You’ll need to complete a financial statement analysis for a nonprofit organization *or* a local government. See the assignment description for details. **Assignment 1 is due 5pm Wednesday, Oct. 24<sup>th</sup>.**
- “*Budget Strategy for Cascadia Hearing School*”: This assignment will test your ability to apply and communicate budget strategies for a medium sized organization. To that end you will need to develop a program budget and a monthly budget using Microsoft Excel. You are expected to use these spreadsheets to recommend a series of financial “next steps.” See the assignment description for details. **Assignment 2 is due 5pm Wednesday, Dec. 5<sup>th</sup>.**

**Exams:** In addition to the course assignments, you will need to complete two in-class exams. You have your first mid-term exam scheduled for **Monday, Nov. 5<sup>th</sup>, 5:30pm – 7:00pm – Paccar Hall 192**. Your final exam is scheduled for **Monday, Dec. 10<sup>th</sup>, 4:30pm – 6:20pm – Paccar Hall 192**. Please let me know immediately if you have any conflicts or cannot make it to the exam at the scheduled time.

**Your weighted average grade will be used to determine your numeric grade point.** In assigning grades, I will follow the grading system required by [University of Washington Graduate School](#). Please refer to the Student Handbook regarding your course grades and overall grades in the program. Keep in mind that a minimum of 2.7 is required in any core course in the MPA curriculum. A minimum cumulative grade-point average of 3.0 is required for graduation.

Weighted Average	Numeric Grade Point	Letter Grade	Weighted Average	Numeric Grade Point	Letter Grade	Weighted Average	Numeric Grade Point	Letter Grade
>96.0%	4.0	A	85.9% - 84.0%	3.4	B+	73.9% - 72.0%	2.8	B-
95.9% - 94.0%	3.9		83.9% - 82.0%	3.3		71.9% - 70.0%	2.7	
93.9% - 92.0%	3.8	A-	81.9% - 80.0%	3.2		<69.9	2.0	
91.9% - 90.0%	3.7		79.9% - 78.0%	3.1				
89.9% - 88.0%	3.6		77.9% - 76.0%	3.0	B			
87.9% - 86.0%	3.5		75.9% - 74.0%	2.9				

## COURSE SCHEDULE

Schedule for Lectures <sup>1</sup>		Schedule for Quiz Sections <sup>2</sup>	
<i>Lecture Date</i>	<i>Topic</i>	<i>Quiz Date</i>	<i>Topic</i>
		<i>Sept. 26 or 28</i>	No quiz section meetings Reading: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 1  <b>Watch Video 1:</b> Introduction to Microsoft Excel
<i>Oct. 1</i>	Introductions and Overview  <b><i>How We Pay for the Public Sector</i></b> Reading: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 1	<i>Oct. 3 or 5</i>	<b><i>The Basic Financial Statements</i></b> Readings: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 2  <b>Watch Video 2:</b> Basic Financial Statements (Government – City of Redmond) posted on Canvas <b>Watch Video 3:</b> Basic Financial Statements (Nonprofits – Village Theatre) posted on Canvas
<i>Oct. 8</i>	<b><i>The Basic Financial Statements</i></b> Reading: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 2 Case: City of Redmond, WA Case: Village Theatre	<i>Oct. 10 or 12</i>	<b><i>Financial Statement Analysis</i></b> Readings: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 3  <b>Watch Video 4:</b> Financial Statement Analysis (Government – Redmond, WA) posted on Canvas <i>(Review Video 1 &amp; 2)</i>  <b>Watch Video 5:</b> Financial Statement Analysis (Nonprofit – Village Theatre) posted on Canvas <i>(Review Video 1 &amp; 3)</i>
<i>Oct. 15</i>	<b><i>Financial Statement Analysis</i></b> Reading: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 3 Case: City of Redmond, WA Case: Village Theatre	<i>Oct. 17 or 19</i>	<b><i>Q&amp;A Session for Assignment 1</i></b>
<i>Oct. 22</i>	<b><i>Accounting Concepts and Transactions - Accrual</i></b> Reading: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 4 Case: Practice Problems (Chapter 4)	<i>Oct. 24 or 26</i>	<b><i>Accounting Concepts and Transactions</i></b> Reading: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 4 Practice Problems (Chapter 4)  <b>Watch Video 6:</b> Accounting Concepts (Basic Accounting Transactions) Posted on Canvas  <b>Watch Video 7:</b> Accounting Transactions (Advanced – Creating Balance Sheets & Income Statement) Posted on Canvas

<sup>1</sup> Schedule is subject to change.

<sup>2</sup> Schedule is subject to change.

<b>Lecture Date</b>	<b>Topic</b>	<b>Quiz Date</b>	<b>Topic</b>
Oct. 29	<b>Accounting Concepts and Transactions – Accrual &amp; Modified Accrual</b> Reading: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 4  Case: Promoting All Student Success	Oct. 31 or Nov. 2	<b>Q&amp;A Session for Midterm 1</b>
Nov. 5	<b>Midterm Exam (80 minutes)</b> ----- <b>Cost Analysis</b> Reading: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 5  Case: Heartland Road Budget	Nov. 7 or 9	<b>Microsoft Excel Training</b>  <b>Watch Video 8:</b> Introduction to Cost Analysis (Case: Heartland Road Budget)
Nov. 12	<b>No Class</b> <b>Veterans Day</b>	Nov. 14 or 16	<b>Microsoft Excel Training</b> Setting up Flexible Spreadsheet(s)  <b>Watch Video 9:</b> Cost-Based Decision Making (Case: Caring for Coho’s Seniors)
Nov. 19	<b>Cost Analysis</b> Reading: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 5 Case: Heartland Road Budget Case: Caring for Coho’s Seniors	Nov. 21 or 23	<b>Thanksgiving Break</b> No quiz section meetings
Nov. 26	Guest Panel of Budget Analysts ----- <b>Cost Analysis</b> Readings: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 5 Case: Caring for Coho’s Seniors Case: Snow Removal	Nov. 28 or 30	<b>Q&amp;A Session for Assignment 2</b>
Dec. 3	<b>Budget Strategy</b> Readings: Kioko and Marlowe “ <i>Financial Strategy for Public Managers</i> ” Chapter 6	Dec. 5 or 7	<b>Final Exam Review</b>
Dec. 10	<b>Final Exam</b>		<b>Finals Week</b> No quiz section meetings