Course Objectives

This course will focus on the intricacies of the federal budget process and federal budget policy. The federal budget is unambiguously important to everyone; it allocates more than 20 percent of the goods and services in the U.S. economy. In particular, it is important to people whose careers will bring them in contact with the federal government; these people should have a great incentive to learn about how federal resources are raised and allocated. The course will thus follow the federal budget process through its various stages, focusing on the political and managerial challenges at each stage. My objective that, at the conclusion of this course, students will understand more about the federal budget than 95 percent of the people who work for the federal government – and perhaps as much as a novice OMB examiner or CBO analyst. In addition, it is my objective that you will further hone your communication skills – both oral and written – to be able to communicate your analysis effectively to policy officials.

Required Readings


In addition, a number of required supplemental readings will be available on Blackboard or distributed by the instructor in class. Additional short topical readings may be provided over the course of the semester as budget developments warrant.
Five components will determine your final grade for the course. A major policy paper will be required (which will include two drafts plus an executive summary); the paper will be presented orally in class. The specific requirements for the policy paper are included in an attachment to this syllabus. Class participation will not be formally graded, but will be taken into account in marginal circumstances. The course requirements will be weighted as follows:

First Draft of Policy Paper (Due on July 24th) - 25%
Discussion Brief (Due dates vary) - 25%
Final Draft of Policy Paper (Due on August 14th) - 30%
Executive Summary of Policy Paper (Due on August 14th) - 10%
Oral Presentation of Policy Paper (August 14th) - 10%

The course will be conducted in accordance with school policies, which cover issues such as late assignments, incompletes, necessary academic accommodations, and attendance.

Please note that this syllabus is intended as a guide to the course for the student. Sound educational practice requires flexibility and the instructor may, with appropriate notice, change content and requirements at any time during the semester.

Class Schedule at a Glance

A. July 8th – Introduction and Course Overview

B. July 10th – The Budget in Microcosm: Budget Terms and Definitions (A Budget Glossary) and Federal Budget Policies—Where Does Money Come From and Where Does it Go?

Proposal for Policy Paper Due


Proposal for Discussion Brief Due

D. July 17th – Budget Preparation—Formulation in the Agencies

E. July 22nd – Budget Preparation—OMB and the President’s Budget

F. July 24th – The Congressional Budget Process and Reconciliation

First Draft of Policy Paper Due

G. July 29th – The Appropriations Process
H. July 31st – Revenues and Authorizing Legislation

I. August 5th – Budget Execution: Spending Money and Performance; Credit Reform and Beyond

J. August 7th – Future of the Federal Budget I: Process and Politics

K. August 12th -- Future of the Federal Budget II: Policy

L. August 14th – Policy Analysis Presentations

Final Draft of Policy Paper Due
Executive Summary Due

Course Outline and Reading List

The following outline lists the topics and reading assignments by course session. Reading assignments include both the text (Schick), and articles/book chapters that are available in the handout package.

A. July 8th - Course Overview and Introduction to Federal Budgeting

No assigned readings

B. July 10th – The Federal Budget in Microcosm--Budget Terms and Definition (A Budget Glossary) and Budget Policies (Where Does Money Come From and Where Does it Go?)

Proposal for Policy Paper Due

Schick, Chapters 1 and 2


Schick, Chapters 3 and 4

Proposal for Discussion Brief Due

D. **July 17**th – Budget Preparation—Formulation in the Agencies


Office of Management and Budget, Circular A-11, Sections 10, 25, 32, 51, 80, 200, and 220 (skim).
[http://www.whitehouse.gov/omb/circulars_a11_current_year_a11_toc](http://www.whitehouse.gov/omb/circulars_a11_current_year_a11_toc)

Office of Management and Budget, Memorandum 13-xx, “President’s Fiscal Year 2016 Budget Guidance.”

*Guest Speaker: A real live agency budget officer – Christopher Johns, DOE*

E. **July 22**nd - Budget Preparation—OMB and the President’s Budget

Schick, Chapter 5


*Guest Speaker: A real live OMB branch chief (Michelle Enger - confirmed)*

F. **July 24**th - The Congressional Budget Resolution and Reconciliation

Schick, Chapter 6

Dauster, “The Monster that Ate the United States Senate,” *Public Budgeting and Finance* 18, Number 2 (Summer 1998), pp. 87-93.

CBO, An Analysis of the President’s Budget, April 17, 2014,

*Guest Speaker: Marcus Peacock, former Minority Staff Director, Senate Budget Committee*

**First Draft of Policy Paper Due**
G. July 29th - The Appropriations Process

Schick, Chapter 9


Joyce, P. The Costs of Budget Uncertainty (IBM Center for the Business of Government—November 2012) (on Blackboard)

H. July 31st – Revenues and Authorizing Legislation

Schick, Chapters 7 and 8


I. August 5th - Budget Execution —Spending Money; Performance; Credit Reform and Beyond

Schick, Chapter 10, pp. 241-266.


*Guest Speaker: Dustin Brown, Deputy Associate Director for Performance and Personnel Management, OMB - confirmed*

J. August 7th – Future of the Federal Budget I—Policy (Stewardship, Long-term Liabilities and Entitlement Reform)


K. August 12th - Future of the Federal Budget II—Process and Politics

Schick, Chapter 11


Rivlin. “Rescuing the Budget Process,” Public Budgeting & Finance 32, Number 3 (Fall 2012), pp. 53-56.

Nussle, “Perspectives on Budget Process Reform,” Public Budgeting & Finance 32, Number 3 (Fall 2012), pp. 57-60.

Redburn, “Practical Imagination: Building a New Budget Process” (on Blackboard)

Guest Speaker: Barry Anderson, National Governors Association (and former acting director of CBO)

L. August 14th – Paper Presentations; Assignments Due

Final Draft of Policy Paper Due
Executive Summary Due
Public Administration 6051

Instructions for Policy Paper

Each student will be required to complete a major policy paper (of approximately 20 double-spaced pages). Because many students in this course are preparing for (or continuing) careers as professional administrators or analysts, the model that will be used for this paper is the model that is used in virtually all professional policy analysis organizations. That is, your first draft will not be your final draft. Instead, I plan to give you substantial feedback and an opportunity to revise your paper. Further, as a separate assignment, you will be required to summarize your paper in two double-spaced pages. At each stage of the process—the first draft, the second draft, and the summary—you will receive a grade. The grades will be weighted as described in the syllabus.

Topics for the Paper

You have wide latitude in the selection of a paper topic. The only firm criterion is that the paper must address some aspect of federal budgeting. As we will discover over the course of the semester, this will not limit your choice of topics a great deal, since the federal budget touches virtually every policy area. There are a wide variety of economic, political, accounting, etc. topics that relate to the federal budget. I expect you to turn in a proposed paper topic by the second class meeting, July 10th; and I will provide you feedback on your topic by July 17th. The proposal should be viewed as a starting point; often students find that as they begin to research a topic, another one occurs to them. That is a natural part of the research process, and you should feel free to propose a change in topic if you think that is appropriate.

If you are having trouble thinking of a possible topic, you might consider the following list of possible areas where papers might be appropriate:

* A review of how the federal budget impacts a particular policy area (e.g., air quality, employment, access to health care, homeownership) in whole or in part.

* An analysis of some particular change in the budget process (biennial budgeting, capital budgeting, line-item veto, performance-based budgeting), including positive and negative effects.

* A discussion of how the federal budget affects state and local governments in some particular policy area or related to some particular program (the Clean Air Act, Medicaid, surface transportation, etc.)

* A comparison of some aspect of the U.S. budget process to the budget process in another country or countries, focusing on similarities or differences
and how these affect budget outcomes, roles of budgetary actors, etc.

These are only examples. I want you to choose a topic that interests you, subject to my approval.

Sources of Data

You can use a number of sources of data in drafting your research paper. The best academic journals to use as sources for articles on the federal budget process are *Public Budgeting and Finance* and *Public Administration Review*, both of which can be found in the library. Other journals that you might consult include the *National Tax Journal*, and the *Journal of Public Budgeting, Accounting and Financial Management*. Some popular periodicals also include topical information on the federal budget, including principally the *Congressional Quarterly Weekly Report*, the *National Journal*, and *Government Executive*.

A number of influential books deal with the federal budget process in whole or in part, including Richard Fenno’s *The Power of the Purse*, Allen Schick’s *Congress and Money* and *The Capacity to Budget*, Aaron Wildavsky’s *The New Politics of the Budget Process*, and Irene Rubin’s *Balancing the Federal Budget* and *The Politics of Public Budgeting*. Phil Joyce’s *The Congressional Budget Office* is the definitive history of that institution. Relevant books will depend on topics chosen. Please consult me if you need assistance.

Many web sites contain useful information on federal budgeting. These include:

Office of Management and Budget: [www.whitehouse.gov/omb/](http://www.whitehouse.gov/omb/)
Congressional Budget Office: [www.cbo.gov](http://www.cbo.gov)
Library of Congress: [www.thomas.gov](http://www.thomas.gov)
Senate Appropriations Committee: [www.senate.gov/~appropriations](http://www.senate.gov/~appropriations)
House Appropriations Committee: [www.house.gov/appropriations](http://www.house.gov/appropriations)
Senate Budget Committee: [www.senate.gov/~budget](http://www.senate.gov/~budget)
House Budget Committee: [www.house.gov/budget](http://www.house.gov/budget)
International Monetary Fund Fiscal Affairs: [http://blog-pfm.imf.org/pfmblog/](http://blog-pfm.imf.org/pfmblog/)
American Association for Budget and Program Analysis (AABPA): [www.aabpa.org*](http://www.aabpa.org*)
Committee for a Responsible Federal Budget: [http://www.crfb.org/](http://www.crfb.org/)
Facing Up to the Nation’s Finances: [http://www.facingup.org/](http://www.facingup.org/)
Peterson-Pew Commission on Budget Reform: [http://www.budgetreform.org](http://www.budgetreform.org)
George Mason University Center for Public Service “Guardians at the Gate”: [http://publicservicecenters.gmu.edu/federal/guardians_at_the_gate](http://publicservicecenters.gmu.edu/federal/guardians_at_the_gate)
Please contact me if you have trouble accessing information on your desired topic.

*This is the main membership organization for federal budgeting professionals. The web site includes many other links, including to many agency budget offices.

**Instructions for Discussion Brief**

Each of you will be required to prepare a discussion brief to help guide our discussions during one course session. These briefs will be written about one of the topics listed below. The student is expected to investigate the topic with an eye toward offering additional detail concerning an issue related to a subject that will be discussed in a particular week.

The discussion briefs should be approximately 5 to 7 double-spaced pages, and the focus should be on describing the event or issue that is being researched, and relating it to that day’s broader subject. In addition, students preparing discussion briefs should be prepared to help guide the class discussion on that day by interjecting examples from your research into the discussion.

The topics for discussion briefs, with the days that they are related to, are listed below:

<table>
<thead>
<tr>
<th>Date</th>
<th>Discussion Brief Topic</th>
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<tbody>
<tr>
<td>July 17</td>
<td>The Obama FY 2015 Budget and the Economy</td>
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<td>July 22</td>
<td>The Fiscal Year 2015 Budget Resolutions and Appropriations</td>
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<tr>
<td>July 24</td>
<td>Effects of Gramm-Rudman-Hollings Sequesters</td>
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<td>July 24</td>
<td>The Reconciliation Process and Deficit Reduction in the 1990s</td>
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<td>July 29</td>
<td>Paying for Surprises – Supplementals, Transfers, and Reprogrammings</td>
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<td>July 29</td>
<td>Effects of the Budget Control Act of 2011</td>
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<td>July 31</td>
<td>The Tax Reform Act of 1986</td>
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<td>July 31</td>
<td>Dynamic Scoring of Revenue Legislation</td>
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<tr>
<td>August 5</td>
<td>A Line-Item Veto for the President (Clinton’s Use)</td>
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<td>August 5</td>
<td>The Digital Accountability and Transparency Act (DATA Act)</td>
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<td>August 7</td>
<td>The Antideficiency Act</td>
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<td>August 7</td>
<td>The GPRA Modernization Act of 2010</td>
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<td>August 12</td>
<td>Future of Medicare (2014 Trustees Report)</td>
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<td>August 14</td>
<td>A Balanced Budget Constitutional Amendment</td>
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I will ask each of you to identify your top three choices, in order or preference before July 10th, and I will respond by email by July 15th indicating what your assignment will be.