

Carleton University
Budget Management for the Public Sector
PADM 5416W

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Course Objective

In an environment where fiscal prudence, austerity and accountability are key drivers, managing financial resources effectively has become an increasingly important leadership competency in the public service of Canada. Public sector leaders are expected to not only manage resources in a manner which respects the highest standards – both in terms of ethics and value for money, but also to leverage the financial resources at their disposal to achieve public policy objectives – which necessitates a solid foundation in financial management principles.

The objective of this course is to provide students with the essential elements of public sector financial management. In order to achieve the objective, the course will focus on the fundamentals of:

- Accounting concepts;
- Financial Statements;
- Budgeting; and,
- Accountability.

The path to accomplishing the objective will not be technical in nature. While accounting concepts and analytical techniques will be covered, proficiency in these techniques will not be assessed. Instead, the focus will be how the student can use financial and non financial information to analyse a given situation, to make observations of the situation, to draw conclusions, to evaluate options and to make recommendations.

Readings:

The required text for the course is Canadian Public-Sector Financial Management, by Andrew Graham which is available in the bookstore. Other required readings are available online.

In addition to the required readings, supplementary material will be posted on cuLean on a regular basis.

Evaluation:

Students will be evaluated and graded on each of the following four components:

Class participation: Students are required to actively participate in class by demonstrating knowledge of the required readings and other relevant material and playing an active role during lectures.

Financial Statement Analysis: Students will select a public or non-profit entity and conduct an analysis of their financial statements and of the organization and write a report on their conclusions. The report should not exceed 10 pages excluding appendices.

Short Case Study: Students will be provided a case study which will require them to analyse a program budget. The case report should not exceed 10 pages excluding appendices.

Major Case Study and Presentation: This component will require students, who will work in groups, to analyse a complex financial problem facing a public sector organization and apply the financial management concepts covered in the course. Each group will submit a report which is not to exceed 20 pages excluding appendices and make a presentation not exceeding 25 minutes in length.

The weighting for each of the above components are as follows:

Class Participation:	10%
Financial Statement Analysis:	25%
Short Case Study:	25%
Major Case Study and Presentation:	40%

Students are required to hand in assignments on or before the due date. Assignments received after the due will be subject to a late penalty. Extensions may be granted for exceptional circumstances.

Course Plan

January 9: **Course Overview**

January 16: **The Financial Management Environment**

Graham, Chapter 1

Lee McCormak, "Performance Budgeting in Canada"; in OECD Journal on Budgeting, Volume 7, No. 4, 2007.

<http://www.oecd.org/canada/43411424.pdf>

Report of the Independent Review Panel on Modernization of Comptrollership in the Government of Canada.

http://www.ccaf-fcvi.com/attachments/266_ModernizationComptrollership-EN.pdf

January 23: **Accounting Concepts**

Graham Chapter 2 and 4

Jon R Blondal, Accrual Accounting and Budgeting: Key Issues and Recent Developments; in OECD Journal on Budgeting, Volume 3, No. 1, 2003.

<http://www.oecd.org/gov/budgeting/42187847.pdf>

January 30: **Financial Statements**

Graham Chapter 3

Canadian Institute of Chartered Accountants, Public Sector Accounting Board,
20 Questions About Government Financial Reporting
<http://www.frascanada.ca/standards-for-public-sector-entities/resources/reference-materials/item14605.pdf>

February 13: **Planning and Budgeting**

Graham Chapter 5 and 6

Allen Schick, Performance Budgeting and Accrual Budgeting: Decision Rules or Analytic Tools; in OECD Journal on Budgeting, Volume7, No. 2, 2007.
<http://www.oecd.org/gov/budgeting/42188101.pdf>

February 27: **Costing and Forecasting**

March 6: **Budget Management**

Graham Chapter 9, Appendix 1

March 13: **Capital Budgeting and Cost Benefit Analysis**

Graham Chapter 7

March 20: **Accountability**

Graham Chapter 8 and 10

Public Sector Modernisation: Modernising Accountability and Control.
<http://www.oecd.org/governance/pem/34904246.pdf>

International Federation of Accountants: Evaluating and improving Internal Controls in Organizations.

<http://www.ifac.org/sites/default/files/publications/files/Evaluating%20and%20Improving%20Internal%20Control%20in%20Organizations%20-%20updated%207.23.12.pdf>

March 27: **Presentations**

April 3: **Future directions**

ACADEMIC ACCOMMODATION

You may need special arrangements to meet your academic obligations during the term. For an accommodation request the processes are as follows:

Pregnancy obligation: Write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details visit the Equity Services website: <http://www.carleton.ca/equity/>

Religious obligation: Write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details visit the Equity Services website: <http://www.carleton.ca/equity/>

Academic Accommodations for Students with Disabilities:

1. Identify your needs for disability-related academic accommodations to the Paul Menton Centre (PMC), supported by relevant and recent documentation from a registered health care professional, by booking an intake appointment with a PMC Coordinator. Documentation forms are available for download on the [PMC website http://www.carleton.ca/pmc/](http://www.carleton.ca/pmc/).
2. With appropriate documentation and your input, your PMC Coordinator will formally evaluate your needs for accommodation by establishing a protocol. Factors taken into consideration when establishing an accommodation protocol are the specific impact of your disability on academic functioning, the degree of the impact, the extent in which your documentation supports your requests, and whether the accommodation will significantly compromise the essential requirements and/or academic integrity of the course or program.
3. You must request accommodations at the beginning of each academic term. New students are required to meet their PMC Coordinator in the Fall and Winter Terms. If you are a returning student, you may have the option of submitting your request for accommodation on line via myPMC.
4. You will be issued a “Letter of Accommodation” for each course, stating your documented accommodation needs. The Letter is sent by email to your course instructor and your Carleton email.
5. You are required to speak to your course instructor soon after receiving the Letter to discuss how best to implement your accommodations. Please note that a 2-week notice is required for instructors to make accommodation arrangements for any in-class scheduled tests/quizzes/midterm exams.
6. The deadline to request accommodations for formally scheduled exams each term is published on the PMC website, on the [Deadline Dates page http://www.carleton.ca/pmc/students/dates-and-deadlines/](http://www.carleton.ca/pmc/students/dates-and-deadlines/).
7. If your course instructor does not agree to any or all of your accommodations as stated on your Letter of Accommodation, you should contact your PMC Coordinator to request that s/he initiates an informal review of the decision.

You can visit the Equity Services website to view the policies and to obtain more detailed information on academic accommodation at <http://www.carleton.ca/equity/>

ACADEMIC INTEGRITY

Students are also expected to be thoroughly familiar the University’s standards on academic integrity, as set out in sections 18.3, 18.4, and 18.5 of the General Regulations of the Graduate Calendar (see <http://calendar.carleton.ca/grad/gradregulations/administrationoftheregulations/#18>), and in greater detail in the Carleton University Academic Integrity Policy (see <http://www1.carleton.ca/senate/ccms/wp-content/ccms-files/Academic-Integrity-Policy.pdf>). Of particular note in both documents are the sections on plagiarism, the most serious academic offence. Instructors are required to report all suspected cases of this violation to the Faculty Dean.