

AP/ADMS/PPAS 3524 3.0 M Public Sector Budget Process
Course Outline - Winter 2025

Date and Location: Tuesdays – 7-10 pm in
 Stedman E **Course Director:** Raphael Costa, PhD
E-mail: costar@yorku.ca
Office hours: Tuesdays 6pm-7pm or by appointment

Land Acknowledgment

York University recognizes that many Indigenous Nations have longstanding relationships with the territories upon which York University campuses are located that precede the establishment of York University. York University acknowledges its presence on the traditional territory of many Indigenous Nations. The area known as Tkaronto has been care taken by the Anishinabek Nation, the Haudenosaunee Confederacy, and the Huron-Wendat. It is now home to many First Nation, Inuit, and Métis communities. We acknowledge the current treaty holders, the Mississaugas of the Credit First Nation. This territory is subject of the Dish with One Spoon Wampum Belt Covenant, an agreement to peaceably share and care for the Great Lakes region ([LA&PS Land Acknowledgement](#)).

Course Description and Learning Objectives:

This course examines the key issues and context of the budget process and the increasing importance of oversight, transparency and accountability in the public sector in Canada. In this context, it assesses approaches to budget policy, management, and fiscal accountability frameworks. Prerequisites: AP/ECON 1000 3.00, AP/ECON 1010 3.00, AP/ADMS 2500 3.00 (or AP/ADMS 1500 3.00 or AP/ADMS 1550 3.00). Course credit exclusions: None.

Students who have completed courses similar to the prerequisite courses and would like to know whether they meet the requirements should contact the course coordinator, Professor Joanne Magee (jimagee@yorku.ca). Students not meeting these requirements may be de-enrolled. You must resolve your prerequisite situation with Professor Magee as soon as possible.

This course is aimed at non-financial majors who nevertheless should possess basic principles and knowledge of financial matters given the continued trend of scarce fiscal resources in the public sector. It examines the key issues and context of the public sector budget process and the increasing importance of oversight, transparency and accountability in the public sector. All phases of the budget cycle are examined: from fiscal forecasting to tax and expenditure policy formulation, budget development, planning and program design, performance measurement, evaluation and reporting.

A variety of topics will be addressed including but not limited to:

- Public sector approaches to providing service and how budgeting is a tool for delivering value to constituents.
- The budget cycle and processes for development, management, and reporting.

- Public sector accounting principles.
- The increased profile of public budgets in constituent and stakeholder management.
- The increased influence of the Auditor General, the Financial Accountability Officer, and Integrity Commissioners.
- Budgetary implications of changing demographics and intergenerational equity.
- The increased role and importance of government accountability, performance management, and communications.
- The politics of, and approaches to, public sector budgeting and financial management.

Learning Outcomes:

Upon completion of this course, students should be able to:

- Have an in-depth understanding of budgeting and financial management in Canada
- Develop the capacity to critically assess current approaches to budget policy, fiscal management, and accountability frameworks in the public sector.
- Be able to identify and critically assess the implications of public sector budget decisions, issues, and alternative policy approaches.
- Be able to analyze a budget and prepare expenditure reductions and defend budget policy positions/decisions in a simulated cabinet format.
- Level-up skills related to analysis, teamwork, leadership, participation, and making presentations.

Class Format:

Classes will comprise various formats including lecture, class discussion, and workshops. Lectures will complement the readings and provide context for issue being discussed. **READINGS MUST BE COMPLETED BEFORE CLASS.** Discussions and workshops will build on the readings and lecture material and may draw on current affairs.

- Each **lecture** will consist of a formal presentation, outlining key lessons and learning outcomes for each of the week's themes. In the lecture, we will discuss context relevant to apply the material from the assigned readings including information we have based on research, best practices, and practical realities that have emerged. The lectures will not replace the necessity to have completed your readings assigned for each week, rather, they will draw out key lessons and focus on their application. Each week's lecture slides will be posted on the course website. It is very important that you attend all the lectures.
- Weekly **discussions** on the material will be led by your colleagues and the course director as needed. Students are expected to participate with insights gleaned from the readings, course lectures, and relevant examples from the news or their own experience. Excessive reliance on experience outside the course materials will not be rewarded with participation marks.
- **Workshops** will be conducted as outlined in the syllabus where students will be charged with working together in groups to produce work that will be presented in class. These workshops will focus on how to conduct and prepare various analyses.

All students are expected to actively participate in the workshop and discussion portions of class. Learning to work together in teams is an important aspect of your education and preparation for your future careers. Your work in relation to your group/team assignment will be taken into consideration when calculating your participation grade. When working as a team, each team member is expected to:

- Treat other members with courtesy and respect;
- Establish a positive and productive team dynamic;
- Contribute substantially to the group assignment; and,
- Ensure familiarity with the entire contents of the assignment.

Note: If you are registered with Student Accessibility Services, please contact me immediately to ensure that I have a copy of your Letter of Accommodation.

Required Text:

Graham, Andrew. 2019. Canadian Public-Sector Financial Management, 3rd Edition, McGill-Queen's University Press.

Other material from various online government sources will also be used. Students are also expected to keep apprised of current events, particularly those that involve major public policy issues (e.g. health care, pensions, crime, transit) and financial matters (e.g. the economy, taxes, Bank of Canada).

About eClass and Zoom

eClass is the learning platform used by York University to allow us to have a personalized learning platform/environment for our course. The free site allows us to access all the materials, such as slide decks, assignments and videos, as well as a secure site for us to upload student work for assessment.

Here are some useful links for student computing information, resources, and help:

- [Student Guide to eClass](#)
- [Zoom @YorkU Best Practices](#)
- [Zoom@YorkU User Reference Guide](#)
- [University Information Technology \(UIT\) Student Services](#)
- [Student Guide to eLearning at York University](#)

Some Zoom classes are scheduled. If we cannot have our class on campus for some reason (e.g. weather), we will use Zoom. As well, office hours may be by Zoom. Students shall note the following:

- Zoom is hosted on servers in the U.S. This includes zoom recordings.
- If you have privacy concerns about your data, provide only your first name or a nickname when you join a session.
- The system is configured in a way that all participants are automatically notified when a session is being recorded. In other words, a session cannot be recorded without you knowing about it.

Academic Honesty:

In this course, all work should be completed by you and you alone. As such, you are not allowed to use generative artificial intelligence (AI), such as ChatGPT, to help you complete any of your work in this course. If you do not know whether an online resource or tool can be used in this course, please contact me for guidance. Any use of generative AI in this course will be considered a breach of the Senate Policy on Academic Conduct. For more information, please review AI Technology & Academic Integrity: Information for Students at <https://www.yorku.ca/unit/vpacad/academic-integrity/ai-technology-academic-integrity/>

Many private, third-party tutoring companies advertise their services to YorkU students. Some of these private companies claim to be affiliated with, or recognized and supported by, York University. These claims are not true. York University has not officially recognized or endorsed any third-party tutoring service. Officially supported resources to help students learn course material are provided free by YorkU.

Academic honesty offenses are taken seriously at York University. All instances of academic dishonesty in this course will be reported to the appropriate university authorities. Students should familiarize themselves with the university's policies on scholastic offences. This information can be found on the Spark Module [here](#). This webpage includes a section on Using and Citing Sources to help you avoid committing a breach of the Senate Policy (ie., plagiarism) as well as a link to the Senate Policy and Procedures regarding such matters.

Evaluation:

Both assignments are to use proper citations.

Workshop and Discussion Participation – 20%

Students must participate in class discussions and workshops in a meaningful and equitable way. In a class of this size it is impossible for all students to participate all the time. Students should, however, strive to attend class, demonstrate that they have read the assigned readings, thought about the material and the discussion at hand, and add value to the classroom discussion.

Weekly Submissions – 20%

By 9:00am the day after each class, students are expected to submit a LinkedIn style post in eClass that demonstrates their understanding of the key themes discussed that day. Superior submissions will comment on the big questions identified in the class and connect them to the broader themes in the course. They may also draw on relevant happenings in the news as they arise.

Submissions should be no more than 150 words.

Assignment 1: Public Budget Analysis – 30% (15% presentation, 15% written submission)

Due February 25 on eClass BEFORE 7 pm. Students are expected to submit their presentation materials and their written assignment.

Students are asked to work in groups of 3-5 people and assume the role of public sector staff in a national or provincial ministry, a local or regional government, or a special purpose body. As representatives of their chosen agency, they are to provide an analysis of the impact of an available Canadian or International public sector budget document of their choice on their organization. The scenario can be no older than 2021. For example, a group could assume the role of a local school board and assess the impact of a provincial budget on their organization. Similarly, students could assume the role of trade staff in Global Affairs Canada and assess the impact of an American budget on activities.

The analysis is to be presented in two ways:

1. A maximum ten-minute presentation to the class on February 25.
2. A briefing note of no more than ten pages that covers:
 - Background that identifies the relevant issues related to the budget
 - Analysis of the potential impacts and opportunities of the budget decisions made
 - Options for the agency to take to mitigate the impact and/or take advantage of the opportunities presented by the budget
 - Conclusions, recommendations, and next steps for their agency to take

Students will be shown examples of issues briefs in class via lectures and readings.

To be successful, student groups must:

- Demonstrate understanding of their chosen agency's priorities and services
- Provide reasonable and actionable recommendations given the scope of their chosen agency
- Show that they understand the challenges that the budgeting organization faces
- Present interesting options that help their agency advance its goals

Assignment 2: Budget Submission Package – 30%

Due April 1 on eClass BEFORE 7pm. Using the analysis developed for assignment 1, prepare a business case for budget submission to your organization to advance an element of your recommendations. Your chosen budget submission cannot duplicate that of one of your group members.

The budget submission should:

- Be no more than ten pages
- Clearly present the need for the proposed asset, service, or program including any relevant research to demonstrate your argument
- Include a jurisdictional scan of similar initiatives from other organizations
- Present clear outcomes expected from the investment
- Identify risks to the organization of not investing
- Be costed and, where appropriate, expenses should be offset with revenues

Submissions should draw on the lessons learned in the course to provide a persuasive case.

Students will receive a template from the instructor.

As a reminder, all assignments must include proper citations.

Course Policies Regarding Assignments

- Assignments should be submitted through the course website and will not be accepted via email or in hard copy.
- Any concerns about the research process or assignments should be addressed with the instructor well in advance of any deadlines. The York University library system also has a research support service, which is available [here](#).
- Students requiring support writing assignments are encouraged to consult with York's [Writing Centre](#).
- Weekly assignments are due 9:00am the day after class, after which assignments will not be accepted.
- Citations for all assignments should conform to Chicago Style format. The York library has a guide available for students [here](#).
- The penalty for late assignments is 2% per day, including weekends.

Please see: <https://www.yorku.ca/laps/sas/academic-resources/common-course-policies/> for Relevant University, Faculty and School rules and procedures.

Course Outline and Weekly Readings

Date and Topic	Agenda	Readings
January 7: Introduction <u>Class held via Zoom</u>	Lecture: Intro to Public Sector Financial Management <ul style="list-style-type: none"> • Course Objectives • Course Expectations • Key Themes for the Semester 	
Section 1: Public Sector Financial Management in Context		
January 14: Public Sector Management Approaches	Lecture: <ul style="list-style-type: none"> • Why do we budget? Balancing Priorities and Delivering Indivisible "Products" • Approaches to Public Sector Management: towards the New Public Administration • What are the tools available to public administrators to deliver public value? Discussion: <ul style="list-style-type: none"> • In what ways do you find value from government? • Privatization and Efficiency: At What Cost? Workshop: <ul style="list-style-type: none"> • Form groups for Assignment 1 and choose your agency and the budget you will analyze. Each group should submit their group 	Graham, Chapter 4 John M. Bryson, Barbara C. Crosby and Laura Bloomberg, "Public Value Governance: Moving beyond Traditional Public Administration and the New Public Management", <i>Public Administration Review</i> , vol. 74 no. 4 (July/August 2014), pp. 445-456. Colin Talbot, "Paradoxes and prospects of 'public value'", <i>Public Money & Management</i> ,

	members, agency, and budget by January 21 via email to the instructor.	Volume 31, 2011 - Issue 1, pp. 27-34.
January 21: Budgeting in Canada	<p>Lecture:</p> <ul style="list-style-type: none"> • Benefits and Drawbacks of Public Investment • Roles and Responsibilities of different levels of Government: Costs • Roles and Responsibilities of different levels of Government: Revenues • The Financial and Political Ramifications of Debt, Deficit, and Surplus – Intro to PESTLE <p>Discussion:</p> <ul style="list-style-type: none"> • At what point do investments become expenses? <p>Workshop:</p> <ul style="list-style-type: none"> • In groups, identify a major public investment and present to justify or argue against its “public value” using PESTLE <p>Reminder: groups, agencies, and budget to be assessed are due January 22 on the course website.</p>	<p>Graham, Chapter 1</p> <p>Jack Lucas. 2013. <i>“Hidden in Plain View: Local Agencies, Boards, and Commissions in Canada.”</i> IMFG Perspectives. Toronto: Institute on Municipal Finance and Governance.</p> <p>Kyle Hanniman. 2013. <i>“Borrowing Today for the City of Tomorrow? Municipal Debt and Alternative Financing.”</i> IMFG Forum No. 3.</p> <p>McMillan Melville and Bev Dahlby. 2014. <i>Do Local Governments Need Alternative Sources of Tax Revenues: An Assessment of Options for Alberta’s Cities</i>. University of Calgary School of Public Policy, SPP Research Papers, pp. 7-26. September.</p>
January 28: Alternative Methods to Funding Government Delivery	<p>Lecture:</p> <ul style="list-style-type: none"> • Public-Private-Partnerships • Regional Partnerships and Cost Sharing Agreements (Service Level Agreements) • Special Purpose Bodies <p>Discussion:</p> <ul style="list-style-type: none"> • Do you like the public-private-partnership concept to deliver public assets? <p>Workshop:</p> <ul style="list-style-type: none"> • Canada Post Strike 2024-25: how would you advise the Federal Government on the future of public postal service? Who derives the most value? Is it worth investing in? Should we explore a new operating model? How will decisions now affect future budgets? 	<p>Slack, Enid. 2011. <i>“Financing Large Cities and Metropolitan Areas,”</i> IMFG Paper No. 3. Toronto: Institute on Municipal Finance and Governance</p> <p>Boardman, Anthony, Matt Siemiatycki, and Aidan Vining. 2016. The Theory and Evidence Concerning Public-Private Partnerships in Canada and Elsewhere. <i>University of Calgary SPP Research Papers</i> 9(2).</p> <p>Spicer, Zachary. 2014. “The Ties that Bind? Exploring the Dynamics of Intermunicipal Agreement Formation between Separated Cities and Counties.” <i>Canadian Public Policy</i> 40(3): 245-58.</p>

Section 2: Public Sector Budget Planning		
February 4: Budgeting Principles	<p>Lecture:</p> <ul style="list-style-type: none"> • The Accounting Framework and Generally Accepted Accounting Principles (GAAP) • Identifying Public Needs and Prioritizing Investments • Public Engagement <p>Workshop:</p> <ul style="list-style-type: none"> • In groups, using the Mars Discovery District's Audited Financial Statements 2021, prepare a balanced 2022 budget that assumes no change in contributions from other levels of government. Present and justify your decisions to the class. <p>Assignment 2 template to be distributed and discussed.</p>	<p>Graham, Chapters 3, 5</p> <p>Tunnel Vision: An Investigation into the Toronto Transit Commission Second Exit Project at Donlands and Greenwood Stations. 2012</p>
February 11: Capital and Operating Budgets	<p>Lecture:</p> <ul style="list-style-type: none"> • Capital Project Planning (in the context of public priorities) • Operating Budget Planning and Resource Requests • Asset Management <p>Discussion:</p> <ul style="list-style-type: none"> • Canada's infrastructure gap: are we broken? <p>Workshop:</p> <ul style="list-style-type: none"> • Meet your assignment 1 group to work on your analysis. 	<p>Graham, Chapter 6</p> <p>Hugh Mackenzie. 2013. Canada's Infrastructure Gap: Where it Came from and Why will it Cost So Much to Close? Canadian Centre for Policy Alternatives</p>
February 18: Reading Week		
February 25: Presenting a Budget	Assignment 1 Presentations: Public Budget Analysis	None: Assignment 1 due in eClass BEFORE class begins.
<u>Class held via Zoom</u>		
Section 3: Public Sector Budget Management and Accountability		
March 4: Accountability	<p>Lecture:</p> <ul style="list-style-type: none"> • Program and Service Management • Accountability Principles • Accountability Mechanisms and Bodies <p>Discussion:</p> <ul style="list-style-type: none"> • Are the accountability mechanisms in place effective? Are they too reactive? Should we invest in more proactive oversight? <p>Workshop:</p>	<p>Graham, Chapter 2, 13</p> <p>Zachary Spicer. 2017. "Bridging the Accountability and Transparency Gap in Inter-Municipal Collaboration." <i>Local Government Studies</i> 47 (3): 388-407.</p>

	<ul style="list-style-type: none"> How could the Brant Haldimand Norfolk Catholic District School Board (BHNCDSB) have managed their 2024 trip-to-Italy controversy better? In groups, present an alternative to achieving the goals of the mission, if you feel one is necessary, and key messages that better justify the expense to the public. 	<p>Romzek, Barbara and Melvin Dubnick. 1987. "Accountability in the Public Sector: Lessons from the Challenger Tragedy." <i>Public Administration Review</i> 47 (3): 1987.</p> <p>Any Financial Accountability Office of Ontario report of your choice: https://fao-on.org/en/</p>
March 11: In Year Budget Management 1 – Reallocation and Agile Budgeting	<p>Lecture</p> <ul style="list-style-type: none"> Managing Risk How to Establish Controls Identifying and capitalizing on in-year opportunities for service enhancement <p>Workshop:</p> <ul style="list-style-type: none"> In groups, review the Shady Gulch Provincial Park case study in Graham, pp. 184-88. What are the opportunities to better deliver service throughout the year without affecting their budget balance? We will discuss ideas as a class after group discussions. 	<p>Graham, Chapters 7-9.</p> <p>Federal Government <i>Manager's Guide to Operating Budgets</i></p> <p>Fernandez, Sergio and Hal Rainey. 2006. "Managing Successful Organizational Change in the Public Sector." <i>Public Administration Review</i> 66(2): 168-76.</p>
March 18: In Year Budget Management 2 – Cutting Back	<p>Lecture:</p> <ul style="list-style-type: none"> Spending Reduction Tools Reallocation Tools Change Management in the Face of Cuts <p>Discussion:</p> <ul style="list-style-type: none"> How would you communicate a cut to operational budgets internally? How would you communicate delays in major capital projects due to budget cuts to the public? <p>Workshop:</p> <ul style="list-style-type: none"> Students will be given the opportunity to discuss their final assignments with their group 	<p>Graham, Chapters 7-9.</p> <p>Federal Government <i>Manager's Guide to Operating Budgets</i></p> <p>Fernandez, Sergio and Hal Rainey. 2006. "Managing Successful Organizational Change in the Public Sector." <i>Public Administration Review</i> 66(2): 168-76.</p>
March 25: Reporting	<p>Lecture:</p> <ul style="list-style-type: none"> The importance of measuring and reporting Benchmarking performance Elements of a good report: internal v. external <p>Workshop:</p> <ul style="list-style-type: none"> Students will be given time to discuss proposed performance measures that are 	<p>Graham, Chapters 10-12.</p>

	important to report for their final assignments	
April 1: Wrap-Up <u>Class held via Zoom</u>	Lecture: <ul style="list-style-type: none"> • Review of the key themes 	None: Final Assignment due in eClass BEFORE class begins.