

PAD 5227
Managing Public Financial Resources

Spring 2016
Wednesdays 5:30 to 8:15 pm
Room: Bellamy 030
Office Hours: Tuesdays 2:00 to 4:00 pm
and by appointment

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REQUIRED TEXT

Finkler, Steven, et al. (2013). *Financial management for public, health, and not-for-profit organizations*. 4th edition. Upper Saddle River, NJ: Pearson (Cited below as Finkler)

READINGS

Other readings will be available on Blackboard. You will be held accountable for **ALL** the readings in the required book and posted on Blackboard.

TOOLS

The course identifies and manipulates spreadsheet software. The instructor uses Microsoft Excel for worked examples and other in or out of class activities, but students may use other spreadsheet software programs. A financial calculator (or computer/smart device application with similar functions) is also recommended.

Course Objective:

The purpose of this course is to develop your fundamental knowledge and skills in the management of public financial resources. During the semester we will,

1. Understand the role of financial management in the public sector.
2. Learn various budgeting concepts and prepare a simple budget.
3. Become knowledgeable of the costs in financial management, capital budgeting, long-term financing, and managing short-term resources and obligations.
4. Analyze balance sheets, activity and cash flow statements, financial statement, and financial condition of government or not-for-profit organizations.
5. Gain an understanding of unique aspect of accounting for state and local governments.

Course Methodology:

Class sessions will involve a range of activities, including lectures, worked examples, small group activities, and discussions. As a result, preparation and participation in the class are essential. Because research, analysis, and written communication are important elements of successful administrators, students will be involved in assignments. The assignments will involve researching topics, analyzing the results, and reporting on the outcomes, in forms that are relevant to the practice of public administration. Assignments will be evaluated for the logical coherency of thought and assumptions, accuracy of computations, and quality of written presentation.

Evaluation:*Class Participation (20%)*

Attendance at every class is expected. Completion of readings, participation in discussions, work on in-class discussions, and attendance all count toward participation, which accounts for 20% of the final grade.

University policy on excused absences includes documented illnesses, deaths in the immediate family and other documented crises, call to active military or jury duty, religious holy days, and official University activities. Accommodations for these excused absences will be made in a way that does not penalize students who have a valid excuse. Consideration will also be given to students whose dependent children experience serious illness. If you miss a class, it is your responsibility to obtain complete information on that class from another student in the course. For purposes of this course, work conflicts also constitute excused absences. Up to two such excused absences can be made up with advance notice to the instructor and completion of the homework problems from the book for that week (or another assignment by the instructor), due by the start of the next class date. If you anticipate missing more than two classes, meet with the instructor at the beginning of the course to discuss or consider taking another course. Each unexcused absence or unmade-up absence will lower participation by one half letter grade (i.e. lowering an A- to a B+).

Budget Project (20%)

Develop a budget for a program competing for a contract to provide a social service on behalf of a government agency. The program may be housed in a government agency, nonprofit, or for-profit organization. Further instructions for the project will be provided during the course. Due February 14th.

Financial Analysis Project (20%)

The project is focused on offering an applied project in financial management. You are expected to analyze a government or not-for-profit organization's financial condition and make suggestions for improvement. Instructions for the project will be provided during the course. Due April 3rd.

Exams (40%. 20% per exam)

There are TWO take-home exams. The first exam will cover the first half of the course, the other the second half. Exam questions may include short answers, brief essays, problem sets, and/or brief case analyses. All exams are open book, open note, and open technology, but must be entirely your own work.

Mid-term due March 6th. Final due April 24th.

The assignments are structured so that each successive one draws on the previous assignments. As a result, there is no flexibility for late assignments, which will be docked one full letter grade per day late. All assignments should be submitted by 11:59pm on the due date.

REQUIREMENTS AND GRADING

Exams	40% (20% each)
Financial Analysis Project	20%
Budget Project	20%
Participation	20%

The final grade will be calculated as follows:

A = 94% and ↑	C+ = 78% - 79.9%
A- = 90% - 93.9%	C = 73% - 77.9%
B+ = 88% - 89.9%	C- = 70% - 72.9%
B = 83% - 87.9%	F = 69.9% and ↓
B- = 80% - 82.9%	

TIME COMMITMENT

Depending on your background in financial management and on the requirements of the week, you should expect to devote five to ten hours of out-of-class study each week. If you do not read the text closely, prepare for and attend class, and complete the assigned work, you will struggle in this class.

POLICIES**The FSU Honor Code**

Students are expected to uphold the Academic Honor Code published in the Florida State University Bulletin and the Student Handbook. The Academic Honor Code of The Florida State University requires students to (1) uphold the highest standards of academic integrity in their own work, (2) refuse to tolerate violations of academic integrity in the university community, and (3) foster a high sense of integrity and social responsibility. Violations of the Academic Honor Code are available at <http://dof.fsu.edu/honorpolicy.htm> and are listed in general from the Academic Honor Code Policy as:

- 1. PLAGIARISM.** Intentionally presenting the work of another as one's own (i.e., without proper acknowledgement of the source).
- 2. CHEATING.** Improper application of any information or material that is used in evaluating academic work.
- 3. UNAUTHORIZED GROUP WORK.** Unauthorized collaborating with others.
- 4. FABRICATION, FALSIFICATION, AND MISREPRESENTATION.** Intentional and unauthorized altering or inventing of any information or citation that is used in assessing academic work.
- 5. MULTIPLE SUBMISSION.** Submitting the same academic work (including oral presentations) for credit more than once without instructor permission. It is each instructor's responsibility to make expectations regarding incorporation of existing academic work into new assignments clear to the student in writing by the time assignments are given.
- 6. ABUSE OF ACADEMIC MATERIALS.** Intentionally damaging, destroying, stealing, or making inaccessible library or other academic resource material.

7. COMPLICITY IN ACADEMIC DISHONESTY. Intentionally helping another to commit an act of academic dishonesty.

8. ATTEMPTING to commit any offense as outlined above.

The student is responsible for understanding the legitimate use of sources, the appropriate ways of acknowledging academic, scholarly or creative indebtedness, and the consequences of violating this responsibility. Students should pay special attention to # 2, above. Any instance of intellectual dishonesty will result in a grade of F **for the course** and may result in suspension or expulsion. If you do not understand the rules for intellectual dishonesty, please ask since you are responsible for adhering to this policy.

ADA Policy

Students with disabilities needing academic accommodation should (1) register with and provide documentation to the Student Disability Resource Center; and (2) bring a letter to the professors indicating the need for accommodation and what type. This should be done during the first week of class. The SDRC can be reached at (850) 644-9566. More information can be found at <http://www.fsu.edu/~staffair/dean/StudentDisability/index.html>

CLASS SCHEDULE

January 6: Session 1	Introduction and Public Financial Management Topics: Introducing Public Financial Management, Three most difficult financial management concepts Readings: Finkler, Chapter 1
January 13: Session 2	Introduction to Budgeting Topics: Budgeting concepts, different levels of budgets Readings: Finkler, Chapter 2; NASBO, 2008 (skim); Joyce & Pattison, 2010
January 20: Session 3	Cost Analysis Topics: Cost behavior, Mixed cost analysis, cost allocations, accounting terminology, direct costs, indirect costs. Readings: Finkler, Chapter 4
January 27: Session 4	Revenues Topics: Taxes, fees, equity concerns Readings: Finkler, Appendices 1-A and 11-A; Bartlett, 2012; Marr & Huang, 2012; Tax Policy Center, no date
February 3: Session 5	Budgeting Approaches Topics: Incremental, zero-based budgeting, flexible budgeting Readings: Finkler, Chapter 3 and Appendix 3-A; Smith 1944
February 10: Session 6	Performance Based Budgeting Topics: PBB, Monitoring, Evaluation, Performance measurement Readings: Ho, 2011; Joyce, 2011
February 14	Budget Project Due
February 17: Session 7	Capital Budgeting Topics: Long-term financing, bonds Readings: Finkler, Chapters 5 and 6

February 24: Session 8	Managing Cash Flow and Midterm Review Topics: Short term obligations, cash flow management Readings: Finkler, Chapter 7; Martell & Kravchuk, 2012
March 2: Session 9	Midterm Review Attendance is optional Readings: Finkler, Chapter 9 (exam questions may draw on this chapter)
March 6	Midterm Exam Due
March 9: No class	Spring Break
March 16: Session 10	Balance sheets, Activity and Cash Flow Statements Topics: Accounting practices, assets, liabilities, equity/net assets, preparing statements, expenses, revenues, cash flows Readings: Finkler, Chapters 10, 11, and Appendices 10-B, 11-D and 11-E
March 23: Session 11	Financial Statements and Conditions Topics: Analyzing statements, financial condition, ratio analysis Readings: Finkler, Chapters 15 and 16; Bifulco, et al., 2012
March 30: Session 12	Governmental Accounting Topics: Reporting requirements, government fund accounting Readings: Finkler, Chapters 13 and 14
April 3:	Financial Analysis Project Due
April 6: Session 13	Controls Topics: Financial controls, systems Readings: Finkler, Chapter 8; McCall & Klay, 2010
April 13: Session 14	Forecasting Topics: Developing forecasts, assumptions Readings: Finkler, Appendix 3-B; Wachs, 1982; Leal, et al., 2008 Course Evaluations at Start of Class
April 20: Session 15	Final Exam Review Session Attendance is optional
April 24:	Final Exam Due