



## College of Business: MBA



# **PAD634 Public Finance Policy and Application**

*Public finance theory applied to  
governmental and non-profit  
organizations*

POST UNIVERSITY – WATERBURY CAMPUS  
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# Public Finance Policy and Application

*Public finance theory applied to governmental and non-profit organizations*

## Instructor

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Office Hours: by Appointment

Professor Mirabilio has taught at the undergraduate and graduate level for over 20 years at Post teaching accounting and algebra courses. She also has over 25 years of business experience including 15 years in the governmental sector as a finance officer.

## Course Information

This course provides a complete review of the financial principles and practices used in Criminal Justice, Government and Not-for-Profit organizations with a heavy focus on linking theory to practice. The course also covers accounting principles and practices for hospitals, colleges and universities, health and welfare agencies, and other similar organizations. A logical framework for understanding and solving the public finance -related problems of governmental and nonprofit organizations is emphasized. The course assessment is based upon papers, discussions and a project.

Prerequisites:

## Course Materials

*Public Finance*. 9<sup>th</sup> Edition. (2010) Rosen, H.S & Gayer, T. McGraw-Hill Irwin. Boston. ISBN 978-0-07-351135-1

*Financial Management in the Public Sector*. 1<sup>st</sup> Edition. (2006) Wang, X.H. M.E. Sharpe. Armonk, New York. ISBN 978-0-76-561678-4

## Recommended text for supplement

American Psychological Association. (2009). Publication manual of the American Psychological Association (6th ed.\*). Washington, DC: American Psychological Association.

Ross, Westerfield and Jordan (2008), *Fundamentals of Corporate Finance 9th Edition* McGraw-Hill, ISBN-13 978007338239-5

## Overview, Description, Objectives, & Exit Competencies

**Course Description:** This course provides a complete review of the financial principles and practices used in Government and Not-for-Profit organizations with a heavy focus on linking theory to practice. The course also covers accounting principles and practices for hospitals, colleges and universities, health and welfare agencies, and other similar organizations. A logical framework for understanding and solving the public finance -related problems of governmental and nonprofit organizations is emphasized. The course assessment is based upon papers, discussions and a project.

Prerequisites: 3 credit hours

### Course Objectives & Exit Competencies:

Upon completion of the course students will have an understanding of financial reporting, risk and return, the cost of capital, cash management, sensitivity analysis and the ability to utilize sound financial principles to make strategic decisions and convey the results and recommendations in written reports within a public or non-profit organization.

Students will also be able to:

- Apply course concepts and terms to current issues and topics of interest to each student
- Articulate public policy from the finance perspective
- Research an organization and understand the reporting and oversight functions
- Research an organization and understand the budget process
- Produce a position paper on a financial issue of the student's choice
- Discuss public policy issues within the financial perspective and solution set

## Grading

Grades for this course will be based upon

40% Weekly Projects (4 projects 10% each)

30% Final Cumulative Project

30% Participation in class discussion and group activities:

A week-by-week schedule of course topics is presented below.

### Weekly Projects:

Each week you will be given an opportunity to apply the concepts covered in the course to research, a scenario or problem in the form of a case analysis or other projects as detailed by the instructor or conceived by you with instructor's approval. The focus of the work each week is to illustrate the concepts we talk about in the discussions and the course readings.

The general breakdown of points assigned each week is as follows:

| Task  | Point Value (out of 100) |
|---|--------------------------|
| Description of situation, problem or opportunity within course context  | 10 points                |
| Paper presentation and format including use of APA formatting and proper citations  | 20 points                |
| Research and background material applied to situation   | 30 points                |
| Analysis and application of course materials to topic<br>Proper use of terminology and concepts in supporting your analysis | 40 points                |

Project 1 Due Week # 2: Choose an organization you wish to learn more about from the financial perspective. Research and provide an outline to include the following material:

- Organizational Structure – org chart or description of organization from top to finance structure
- Revenue sources – how is revenue generated and the various sources of revenue
- Financial/Capital structure – how are finances generated and controlled
- Other pertinent areas of information

Project 2 Due Week # 3:

Choose a current issue in Public Finance and analyze it from a critical perspective. I want you to take both sides of the issue and support both sides with materials from research and your readings.

I. Read the research; determine the Apparent Problem.

II. Reread the research; examine the Facts.

III. Based on the facts; what are the choices?

IV. What is the Real Problem?

V. What are your Options for Change?

(Remember one option always is to do nothing.)

VI. What are your Recommendations?

VII. What are the Implications of that recommendation and What method of Evaluation do you suggest to measure the success/failure of the recommendation?

Project 3 Due Week # 5:

Research available grants that pertain to your field of work or the field in which you wish to obtain more information about to understand how they are funded. In this assignment I want you to detail the grant process, distinguish different cost structures that will be covered under the grant and those legacy or hidden costs which may not be covered, include in this what information you would need to receive the grant and overall observations on process and availability of grants.

If grants are not a funding possibility the bonding process for your field will be a suitable substitution.

Project 4 Due Week # 6:

Describe the budget process for an organization of your choice. What are the major types of budgets? Where do budgets originate? Who is involved in the approval process? What are the issues this organization faces within the budget process?

### **Final Projects:**

The final cumulative project is based on the student developing their own scenario and research a context for the situation or organization being investigated or creating a solution

for a current problem / organizational issue. It is encouraged that the student utilizes a current problem or opportunity from their own work environment (if possible, if not a problem from a workplace you would like to engage and learn more about).

Grading Rubric:

| Task  | Point Value (out of 100) |
|---|--------------------------|
| Problem - development of scenario (creativity, application of course principles)  | 20 points                |
| Paper presentation and format including use of APA formatting and proper citations  | 20 points                |
| Research and background material applied to situation   | 20 points                |
| Analysis and application of course materials to topic<br>Proper use of terminology and concepts in supporting your analysis | 20 points                |
| PowerPoint Presentation   | 20 Points                |

## Course Procedures

This course is organized into a series of weekly lessons composed of readings, discussions among and between the students and instructor, and “homework” assignments or projects which build upon the readings and discussion and include application to existing or potential business challenges. Each lesson has a closing date. *You must have participated in the discussion and hand in the assignment the next class date.*

The course is laid out with the following process in mind:

1. Review the Readings assigned for a topic
2. Participate in the Discussion
3. Complete the Homework Assignment
4. Set aside time each week for the Projects

## Course Outline

| Week | Topic   | Reading   | Assignment  |
|------|---|---|---|
| 1    | Part I - Getting Started                            | Chapter 1: Introduction<br>Chapter 2: Tools of Positive Analysis<br>Chapter 3: Tools of Normative Analysis  | Read Chapters – Participate in Discussions  |
| 2    | Looking at Public Services and financing methods    | Chapter 4: Public Goods<br>Chapter 5: Externalities<br>Chapter 6: Political Economy<br>Chapter 7: Education<br>Chapter 8: Cost-Benefit Analysis   | Read Chapters– Participate in Discussions<br>Assignment 1 Due by Sunday midnight EST of weekend                                     |
| 3    | Market effects and ramifications on Public Finance  | Chapter 9: The Health Care Market<br>Chapter 10: Government and the Market for Health Care<br>Chapter 11: Social Security<br>Chapter 12: Income Redistribution - Conceptual Issues<br>Chapter 13: Expenditure Programs for the Poor Chapter | Read Chapters– Participate in Discussions<br>Assignment 2 Due by Sunday midnight EST of weekend                                     |
| 4    | Taxation – Policy and Income Distribution use       | Chapter 14: Taxation and Income Distribution<br>Chapter 15: Taxation and Efficiency<br>Chapter 16: Efficient and Equitable Taxation   | Read Chapters– Participate in Discussions<br>Submit Topic for final Paper   |
| 5    | Grants and how they work                            | Chapter 22: Public Finance in a Federal System and Posted Readings  | Read material in Blackboard– Participate in Discussions<br>Assignment 3 Due by Sunday midnight EST of weekend                       |
| 6    | Effect of Governmental Spending                     | Chapter 20: Deficit Finance<br>Chapter 21: Fundamental Tax Reform - Taxes on Consumption and Wealth<br><b>Reference Wang for this week's project: Chapters 1, 2, 7</b>  | Read Chapters– Participate in Discussions<br>Assignment 4 Due by Sunday midnight EST of weekend<br>Submit Outline for final Project |
| 7    | Federal System of Public Finance                    | Posted PowerPoint's and readings  | Read Chapters– Participate in Discussions<br>Complete Presentation for final Project  |
| 8    | Course Wrap-up – Presentation and Final Project Due |   | Participate in Discussions by posting a PowerPoint and comment on others projects<br>Final Project Due by Friday midnight EST       |

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### **Course Calendar**

This calendar is subject to change if we need to spend more time on certain subjects or for any other reasons of necessity.

### **Course Policies and Procedures**

Following are the policies and procedures for graduate courses at Post University. These are to be considered part of the course syllabus for the course for which I am the instructor. Please read this document carefully. If you have any questions at any time about the contents of this document, please ask.

### **Discussion Board Grading**

You are expected to participate in the discussion board each week – this is where the majority of learning takes place.

You are expected to sign in and participate at least three times a week, interact with your fellow classmates and add substantial input to the discussion. It is not acceptable to show up once a week on Sunday nights, state I agree without any other substantial input, or copy items from a website and expect that to be called a “discussion”.

### **Assignment due dates and grading**

Each assignment has an assignment number and due date. Assignments are due on the Sunday of the week they are assigned by midnight EST. Assignments are to be submitted on time. Assignments are turned in and graded once only. Once you turn in the work, in most cases further submissions of that assignment are not accepted for grading. Exceptions to this policy are rarely granted: you must discuss your issues with me prior to the assignment due date.

Assignments submitted after due dates are not accepted unless you have encountered serious difficulties AND have discussed your reasons for lateness with me PRIOR to the due date of the assignment. It is only in rare cases that extensions to due dates are permitted. In order to pass this course, you must hand in assignments when due.

The above late assignment policy also applies to exams, projects or any other work turned in for grading that has a specific due date. Late assignments will be graded when time is available. Grading for any late assignments may be delayed until term’s end.

### **Email**

Please when using email correspondence you should have the class identifier in the Subject area, for example BUS 510 and sign your message with your name so I know who it is from.

### **Scheduled absences**

If you will miss class for religious reasons, or have other absences you are aware of, please inform me **in writing via email** at least two weeks prior to date you will be absent from class.

### **Americans with Disability Act:**

Students with documented disabilities who need course accommodations, have emergency medical information or require special arrangements for building evacuation should contact the instructor within the first two weeks of class. Verification of any special arrangements needs to be made through the Office of Disability Services, Room 215 Student Center, 203-895-2506. Further **information on this can also be obtained at [www.Post.edu/studentlife/disability](http://www.Post.edu/studentlife/disability)**

**Academic Honesty**

Do not cheat. Do not plagiarize. You are encouraged to discuss homework assignments and classes with other students, but all work submitted for grading must be your own work or the work of your project group (for group projects). It is not permitted to work with any other students on individual course exams at any time. School policies will be enforced to the letter if cheating is suspected. Cite all work that is used from other sources even if it is from a previous work of your own.

**Course Withdrawal**

School policies apply.

**Incompletes**

Incompletes will only be granted if the following criteria are met: 1) student has completed 60-80% of the coursework, 2) there is a legitimate reason in accordance with departmental policies to grant the incomplete, 3) a plan is agreed to complete the course requirements within a specific time period, 4) the student signs a contract agreeing to the terms of the incomplete. A student operating under an incomplete is solely responsible for completing the course requirements within the agreed to time period.