RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY
SCHOOL OF PUBLIC AFFAIRS AND ADMINISTRATION

PUBLIC FINANCIAL MANAGEMENT
(Draft: Subject to revision)

Unit/Subject/Course 20:834:543

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E-mail: cgrizzle@andromeda.rutgers.edu

NOTE: I am flexible regarding appointments, but please call or e-mail ahead, except during office hours.

COURSE OBJECTIVES:
• To provide an introduction to accounting principles, techniques, and concepts
• To teach students how to use financial information to make decisions in public, health, and not-for-profit organizations
• To demonstrate how accounting and other financial information is used in management and policymaking
• To introduce fundamental concepts and methods of finance and financial analysis
• To examine important contemporary financial management issues relevant to state and local governments
• To help students develop their Excel skills.

TARGET AUDIENCE: This course is designed for students who have no previous formal training (or equivalent on-the-job experience) in either business or government accounting or finance.

COURSE OVERVIEW: The first half of the course focuses on managerial accounting: tools for developing and implementing the plan. Topics include operating budgets, cash budgets, break-even analysis, time value of money, capital budgeting, long-term financing and ethics in financial management.

The second half of the course focuses on financial accounting: tools for reporting on and analyzing an organization’s financial position and the results of its operations. Major topics include the preparation and analysis of financial statements (balance sheet, activity statement, and cash flow statement), government accounting and financial condition analysis.

COURSE MATERIALS:
All additional readings and case studies will be posted on Blackboard.
**Computer with MS Excel or Financial Calculator**
You will need access to either a computer with MS Excel or have a calculator that can do time value of money calculations (it must have buttons labeled PV, FV, PMT, and NPV). You must bring either device to class each week including for the midterm exam. If you do not already have such a calculator, please buy a **HP10 BII**. This calculator is available at the Rutgers Bookstore and many other locations such as Staples and Amazon.com. If you choose to use a different financial calculator, please be advised that the professor will not be able to assist you with your calculator. You should retain your calculator for use in future courses.

**BLACKBOARD:**
This course will be managed through the University Blackboard system. Blackboard is an internet-based information display system, and it will be a primary means of communication for this course. Throughout the semester, I will post documents such as lecture slides, and homework solutions to this site. In addition, I will occasionally send e-mails about course logistics to your Rutgers e-mail account through the Blackboard system. Therefore, you should check both the course website and your Rutgers e-mail account on a regular basis. The Blackboard login page is at:  
https://blackboard.newark.rutgers.edu/webapps/portal/frameset.jsp?tab_id=_1_1  
To login, enter your Rutgers username and password. Please take some time to learn how to use the Blackboard and get familiar with its contents.

**PROFESSIONALISM:** The MPA program is a professional program that emphasizes managerial skills, knowledge, and decision making. Therefore, professional conduct is expected, especially with respect to deadlines, participation, and attendance. Note the dates and put on your calendars immediately. YOU need to adjust your schedules to meet the requirements of this course. Homework will not be accepted late and should be turned in at the beginning of class on due date unless otherwise specified. It is your responsibility to get information and notes from your colleagues when you miss a class. It is also your responsibility to come to class prepared, which includes bringing a calculator/computer with MS Excel. A grade of Incomplete is recorded only under extreme circumstances that occur at the end of the semester and with written agreement between instructor and student. It is not an automatic option and almost never used. Non-attendance will not result in a grade of Incomplete.

**GRADING:**
Your course grade will be determined as follows:

- Homework assignments: 40% of grade
- Mid-term examination: 25% of grade
- Group Project: 25% of grade
- Class Participation: 10% of grade

The mid-term exam will last two hours and thirty minutes. You may bring a computer with MS Excel or financial calculator and an 8 ½-by-11 page of notes (front and back) to the midterm exam. Your notes may be either typed or handwritten. There are no restrictions on the font size or the contents of your page of notes. You will be asked to hand in your notes with the completed exam.
**HOMEWORK ASSIGNMENTS**

There are a total of 10 assignments, each worth 4% of your course grade. Assignments are graded on the basis of completeness rather than accuracy. If you do not complete the entire assignment, you will not receive full credit.

Practice problems can be found in the textbook. These problems are designed to help you prepare for the following week’s homework assignment. Practice problems are not to be turned in for credit. Solutions will be posted on the course website each week after class.

**Assignments are due at the beginning of lecture on the designated date.** At the end of the lecture I will spend a few minutes going over the solutions to the assignment you just turned in. It is optional to stay for this discussion.

**Assignments will not be accepted by email.** If you need to miss lecture, you may either leave your assignment in my mailbox before class begins or arrange for a classmate to submit it for you in class. Late assignments will not receive any credit except in extreme circumstances such as serious medical emergencies.

**Assignments must be typed and stapled. Handwritten assignments will not receive any credit.** You must complete the quantitative parts of your assignments in Excel and the written parts in Excel or Word. Excel templates will be provided for some assignments (posted on the course website under Assignments / Templates).

**Each student must write and submit his or her own assignment.** I encourage you to work on assignments in small groups, but two or more students turning in identical homework assignments constitutes cheating and will be reported to the administration and subject to disciplinary action.

**COURSE RULES AND REQUIREMENTS:**

1. **To do well in this course you must devote a significant amount of time.** Please keep in mind that the material presented in the course builds cumulatively. Do not fall behind, as it is nearly impossible to catch up once that happens.

2. **Reading assignments must be completed before each lecture.** (Note that you have a reading assignment for the first class!)

3. **If you need to miss class, you do not need to notify me.** I do not take attendance. However, you are responsible for finding out what you missed—including any announcements made in class—from one of your classmates.

4. **There are no extra credit assignments and no make-up exams.** Please note the date of the assignments, midterm exam, group project and the case studies. Schedule accordingly. There will be no make-ups for the midterm or group project. You are responsible to be in class on these two days. This is the sole time all semester that I require you to be in class. If you are unable to schedule these six (6) hours into the semester, it is recommended that you not enroll in the current semester.
5. If you have logistical questions, please check the syllabus and website before emailing me! You can find the answer to almost every conceivable question in the syllabus or on the website.

6. The School of Public Affairs and Administration has a strict policy regarding incompletes. The grade of "Incomplete Pass" will only be available in extreme circumstances such as serious medical emergencies. Students may withdraw from the course up until the date set by the Registrar. Students who withdraw will receive a grade of W and will have to pay for the course again when they retake it.

7. Academic dishonesty is unacceptable and will not be tolerated. Cheating, forgery, plagiarism and collusion in dishonest acts undermine the School’s educational mission and your own personal and intellectual growth. You are expected to bear individual responsibility for your work and to uphold the ideal of academic integrity. Any student who attempts to compromise or devalue the academic process will be reported to the administration and subject to disciplinary action. Additionally, academic dishonesty will also result in 0 points for the assignment or exam.

APPEAL PROCEDURE: If, after an exam or assignment is graded, you believe that additional credit is deserved, you may submit a written appeal for up to one week after the assignment is graded. Your appeal should be a typewritten page or less explaining specifically: which items deserve more credit and why. Please note: your argument must be based on the answer actually turned in. Please do not give a new answer and expect more credit. Also, the argument “I meant to say…” doesn’t work.

DISABILITY SERVICES: Students who are in need of disability-related academic accommodations must register with the Office of Disability Services (ODS). Students with authorized disability-related accommodations should provide me with a current Accommodation Authorization Letter from ODS. Accommodations are not provided retroactively, so please let me know about them as early as possible. Further information is available at the ODS website, http://disabilityservices.rutgers.edu/
**LECTURES:**
Lectures will meet on the following dates (room location TBA): Mondays 5:30 – 8:10 pm

**Course Outline**

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<th>Topic</th>
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<td>Operating Budgets and Cash Budgets</td>
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<td>Class 2: September 16</td>
<td>Operating Budgets and Cash Budgets (cont’d) &amp; Break Even Analysis</td>
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<td>Class 3: September 23</td>
<td>The Time Value of Money</td>
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<td>Class 5: October 7</td>
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<td>Accountability, Ethics and Control</td>
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<td>Introduction to Financial Statements</td>
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<td>Class 12: November 25</td>
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COURSE OUTLINE, SCHEDULE AND ASSIGNMENTS:
(Draft: Subject to revision)

CLASS 1: COURSE INTRODUCTION AND BUDGETING
Read before class: Chapter 1, Chapter 2 up to p. 48, and “Excel and Calculator Tips 1” handout
Suggested problems: Practice problem: 2-17, 2-20, and 2-24

CLASS 2: ADDITIONAL BUDGETING CONCEPTS & BREAK-EVEN ANALYSIS
Read before class: Chapter 3 and Chapter 4 up to p. 142
Suggested problems: Practice problems: 3-21

CLASS 3: THE TIME VALUE OF MONEY
Read before class: Chapter 5 up to p. 188 and “Excel and Calculator Tips 2” handout
Suggested problems: Practice problems: 5-11 through 5-18

CLASS 4: CAPITAL BUDGETING & LONG-TERM FINANCING
Read before class: Chapter 5 p. 188 to end and Chapter 6 (skip NIC and TIC pgs. 233 – 235)
Suggested problems: Practice problems: 6-8 through 6-14

CLASS 5: CASH MANAGEMENT
Read before class: Chapter 7 and Cash Management Handout

CLASS 6: GOVERNMENT BUDGETING & MIDTERM REVIEW
Read before class: Chapter 2 p. 49 - end

CLASS 7: MIDTERM EXAM

CLASS 8: ACCOUNTABILITY, ETHICS AND CONTROL
Read before class: Chapter 8
Suggested problems: Practice problems: 8-12, 8-33

CLASS 9: INTRODUCTION TO FINANCIAL STATEMENTS
Read before class: Chapter 9 and 10
Suggested problems: Practice problems: 10-1, 10-2, 10-3, 10-12

CLASS 10: FINANCIAL STATEMENT ANALYSIS I
Read before class: Chapter 14
Case Study 2: Changes for Governmental Financial Reporting
Suggested problems: Practice problems: 14-1, 14-2, 14-3, 14-4, 14-5
CLASS 11: FINANCIAL STATEMENT ANALYSIS II
Read before class: Chapter 14
Suggested problems: Practice problems: 14-10, 14-11

CLASS 12: GOVERNMENT FINANCIAL CONDITION ANALYSIS I
Read before class: Chapter 15 and Financial Condition Analysis Handout

CLASS 13: GOVERNMENT FINANCIAL CONDITION ANALYSIS II
Read before class: Chapter 15
Sample FCA
Suggested problems: Practice problems: Case Study 15-14

CLASS 14: COURSE WRAP-UP AND GROUP PROJECTS