

## Course Syllabus

### **PA 546: *Public Financial Administration***

**Fall 2005, Tue 4:00pm-6:30pm**

Dr. Constantine Hadjilambrinos

**Office:** Social Sciences Building 3010

**Office Hours:** Tue 2:00-3:00 pm, Wed 3:00-4:00pm  
and by appointment

**Tel:** (505) 277-9196

**Fax:** (505) 277-0978

**E-mail:** hadjilam@unm.edu

### **Course Description**

Financial considerations are an essential part of most decisions public managers have to make. Whether the decision is to hire, fire, or promote an employee, purchase or sell an item, initiate or terminate a program, or enhance client services, managers always need to weigh a decision's financial implications. One of the most important tasks of public financial managers is to manage public money in the most effective way possible. Money-at-hand should be invested until needed so that it can provide some additional revenue in the form of returns. Public debt should be structured so that the cost of obligations is paid, to the greatest extent possible by those who receive the benefits of projects financed by the debt. This is in order to satisfy important ethical criteria. Tax systems should be structured to meet several important objectives such as economic efficiency, equity and justice, transparency, collection efficiency, etc. While the ways in which public money is spent and the methods whereby both revenues and expenditures are accounted for are important issues, this course will focus on the management of government revenue (taxes of various types, user fees, etc.), their structure and administration, on the administration of cash, debt, working capital, and pension funds, and on normative issues such as fairness and equity in the distribution of tax burdens.

### **Course Policies**

This course will be taught in an interactive lecture format. Students are responsible for reading the assigned material before coming to class and should be prepared to discuss it, as well as ask and answer questions about it. While **attendance** will only be taken in the first two class sessions in order to assess whether it will be possible to admit additional students into the course, you are expected to attend class and to be prepared. Your attendance will be reflected, at least in part, in your grade through your homework assignments (see Course Evaluation section). In addition, if you do not attend regularly, you may be dropped from the course. Specifically, a "W" grade will be assigned if you a) fail to turn in 8 (eight) or more homework assignments; or b) miss either the midterm or final exam without making arrangements for a make-up exam. An incomplete (I) grade will not be given unless you make a request for it, and I approve your request.

## Course Evaluation

Your final grades will be determined on the basis of a number of written homework assignments (20%), a midterm exam (40%), and a final exam (40%).

- Homework assignments for each class are listed in the syllabus and will be due at the beginning of the next class. There will be a total of 13 assignments, and each will be given a maximum of 2 points. If you earn more than 20 points, you may use the extra points (up to 6) as extra credit. Homework assignments may not be e-mailed, but must be turned in in hard copy at the beginning of each class period. Since you may discard up to three homework assignment grades, missed assignments may not be made up.
- The midterm and final exams will be take-home exams. The exams will be available on WebCT after the end of the class session prior to the session in which they are due. This means that you will have a week to complete each exam. The in-term exams will only cover material discussed since the previous exam. The final exam will cover all material discussed during the semester. E-mailed exams will not be accepted. You must turn in a hard copy of your exam either to me in person, or to one of our office staff by the designated due time. You will only be allowed to make up a missed exam if you had to miss it for a valid reason (illness, work obligations, etc.) and upon furnishing appropriate documentation.

## Grading

Grading for this course will be done on a relative scale (i.e., “on the curve”). The scale, however, will be adjusted to reflect factors that are advantageous to you (such as steady improvement).

There are 100 points possible in this course (extra credit only to bring your total up to the maximum points), distributed as follows:

Homework assignments	20 points
Midterm exam	40 points
Final exam	40 points
Extra credit possible	6 points

## Required Book

Mikesell, John L., *Fiscal Administration: Analysis and Application for the Public Sector*, Sixth Edition, Thomson/Wadsworth, 2003.

**Readings** are posted on the Library’s E-reserves.

## Course Calendar

<u>Date</u>	<u>Topic</u>	<u>Homework</u>
Aug. 23	<u>Introduction to the Course—Policies and Expectations</u>	
Aug. 30	<u>Introduction: Principles of Public Finance</u>  Mikesell, Ch. 1 “Fundamental Principles of Public Finance”	Q&E 1, Case 1-1
Sep. 6	<u>Capital Budgeting and Finance</u>  Mikesell Ch. 6 “Capital Budgeting, Public Infrastructure Investment, and Project Evaluation”	Q&E 8
Sep. 13	<u>Managing Short-Term Resources</u>  <b>Reading 1:</b> Finkler, Ch. 6 “Managing Short-Term Resources and Obligations”	Q 6.6, P 6.25
Sep. 20	<u>Accountability and Control</u>  <b>Reading 2:</b> Finkler, Ch. 7 “Accountability and Control”	Q 7.18, 7.22
Sep. 27	<u>Evaluating Revenue Sources</u> <b>Class time:</b> <b>5:00-7:30</b> Mikesell, Ch. 7 “Taxation: Criteria for Evaluating Revenue Options”	Q&E 2, Case 7-1
Oct. 4	<u>Income Taxes</u>  Mikesell, Ch. 8 “Major Tax Structures: Income Taxes”	Q&E 5, 6
Oct. 11	<u>Taxes on Goods and Services</u>  Mikesell, Ch. 9 “Tax Structures: Taxes on Goods and Services”	Q&E 3
Oct. 18	<u>Property Taxes</u>  Mikesell, Ch. 10 “Major Tax Structures: Property Taxes”	Q&E 3
Oct. 25	<b>MIDTERM EXAM DUE by 5:00 pm</b>	
Nov. 1	<u>Other Revenue Sources</u>  Mikesell, Ch. 11 “Revenue from User Fees, User Charges, and Sales by Public Monopolies”	Q&E 5

