

Accounting
Course Number: 22:010:578
Course Title: Public Financial Management

COURSE DESCRIPTION

This course covers the theory and practice of state and local public finance in the United States. While the federal government plays a dominant role in our federal system, the issues confronting states and local governments are often more varied and illuminating. The focus in this course will be on state-local spending decisions (including major areas of spending such as education, Medicaid, physical infrastructure, and employee retirement obligations), the analysis of state and local revenue sources (including property, income, sales, and business taxes, and non-tax revenues), and the impact of state and local finances on such important subjects as educational access and affordable housing.

The course is structured with themed readings assigned each week. The readings are accompanied by introductory lecture notes which you must review. In lieu of a textbook, readings are available on our Canvas site. Some material is theoretical and timeless, and other material provides data and trends and is kept as up-to-date as possible. Be sure to read the material that appears in your modules, as it could change from this syllabus (updated periodically to reflect new development and best information.)

After reading the material each week, you will prepare a weekly assignment and participate in a class discussion linked with each week's topic.

COURSE MATERIALS

There are **NO REQUIRED TEXTBOOKS** for this course. All required readings will be available on Canvas. The weekly readings consist of journal articles, book chapters, and policy reports (from government agencies and think tanks). Required weekly reading assignments are generally quite modest (approximately 50-75 pages) but may be spread among several documents. Each week includes optional readings that provide further background, details, state-by-state breakdowns, etc. for those who may want additional information on points covered in the required course material.

The readings are subject to change throughout the semester. **Be sure to use the Canvas—not this syllabus—as the definitive source for material throughout the course as links and readings may be updated as the course progresses!**

The following are a list of useful basic primers for the course. They are NOT required except where explicitly listed on Canvas.

Facts & Figures 2019: How Does Your State Compare? (2019), published by the Tax Foundation (available at <https://files.taxfoundation.org/20190715165329/Facts-Figures-2019-How-Does-Your-State-Compare.pdf>)

The Fiscal Survey of States (Spring 2019), published by the National Association of State Budget Officers (NASBO) (available at https://higherlogicdownload.s3.amazonaws.com/NASBO/9d2d2db1-c943-4f1b-b750-0fca152d64c2/UploadedImages/Fiscal%20Survey/NASBO_Spring_2019_Fiscal_Survey_of_States_-_S.pdf)

Governing Guide to Financial Literacy: Connecting Money, Policy and Priorities (2014), a supplement to *Governing*, published by Governing (available at http://825d0007e19cfb8330f5-793aa0e2839afb9a40b9a46376ed589.r13.cf1.rackcdn.com/GOV14_FinancialLiteracy_v.pdf)

(ITEP) The ITEP Guide to Fair State and Local Taxes (2011), published by the Institute on Taxation & Economic Policy (available at <http://www.itep.org/pdf/guide.pdf>)

State and Local Fiscal Facts: 2019, issued by NGA, NCSL, CSG, NACo, NLC, USCM, ICMA, NASBO, NASACT, GFOA, and NASRA (available at https://icma.org/sites/default/files/2019%20Fiscal%20Facts%20-%20FINAL_0.pdf)

You will individually be assigned a state (after the first week) as part of this course and you will be expected to incorporate information about your assigned state in your weekly assignments as appropriate. The reference material above may help in this regard.

In addition to a variety of online reading material, class notes are made available each week. You should be sure to complete the assigned readings and review the notes.

LEARNING GOALS AND OBJECTIVES

This course is designed to help students develop skills and knowledge in the following area(s):

1. Why do we need a public sector?
2. Why do we need multiple layers (and units) of government within the public sector?
3. Which level of government should provide what services?

4. How do state and local governments spend money?
5. What are the major fiscal issues in financing public primary and secondary schools?
6. What are the major issues in financing affordable housing?
7. How do state and local governments raise money?
8. Should businesses pay taxes, and, if so, how can their taxes best be structured?
9. How do state and local taxes and spending affect business location and or expansion decisions?
10. What are the major challenges (and opportunities) facing the state and local public sector in the 21st Century (and most immediately due to the COVID-19 pandemic)?

Students who complete this course will be better able to understand, think about, and articulate:

- The major trends in aggregate and individual state and local finances
- Significant interstate variations among sub-national jurisdictions in their tax and spending policies.
- Long-term and emerging fiscal problems confronting the state and local public sector, as well as major policy options to address those problems.

PREREQUISITES

There are no formal prerequisites for this class, though students are expected to have an interest in the basic structure of our State and local governmental systems.

ACADEMIC INTEGRITY

I do NOT tolerate cheating. Students are responsible for understanding the RU Academic Integrity Policy (<http://academicintegrity.rutgers.edu/>)

I will strongly enforce this Policy and pursue *all* violations. On all examinations and assignments, students must sign the RU Honor Pledge, which states, “On my honor, I have neither received nor given any unauthorized assistance on this examination or assignment.” I will screen all written assignments through *SafeAssign* or *Turnitin*, plagiarism detection services that compare the work against a large database of past work. Don’t let cheating destroy your hard-earned opportunity to learn. See business.rutgers.edu/ai for more details.

The online course format presents a major challenge for you as students to uphold your academic integrity. Of course, we expect the highest level of academic integrity and have no doubt that all of you will achieve a great deal of success in this course while maintaining high standards.

Here are a few points of guidance for you to consider during the semester.

- 1) It goes without saying, but **do not plagiarize**. Plagiarism will not be tolerated. We do use the software Turnitin. If you have any questions about citations, how to use them, when to use them, or whether something requires one, please feel free to contact us.

- 2) In doing your assignments, we encourage you to ask questions of one another, seek advice or consultation from other professionals or friends you may know, or consult outside sources. However, **all work must be your own.**
 - 3) Some of the written assignments require answering questions to check to see if you've completed the reading. When responding to these questions, **do not quote full sections of the reading directly to answer them.** If more than 10 percent of your assignment is made up of verbatim quotations, please revise your assignment. If you do not, your grades will be reduced accordingly.
-

CLASS REQUIREMENTS

There are assigned readings (required and optional) associated with each week's topic. These readings are available online on the course website on Canvas under each week's respective Readings link. Because of the wide range of subjects covered by this class, there is no suitable single textbook; instead the readings are derived from journals and professional reports.

Homework Assignments

The writing assignments in this course are about five (5) pages each. They are based on the required readings and may include a topic-appropriate calculation. With a few exceptions, all assignments must be completed by () for the previous week (see the online schedule for assignment due dates). Unless given prior permission, late work will be penalized (see below). Due to the nature of an online course, it is imperative that all work be done on time and submitted according to this schedule. The weeks' assignments build on one another—you will need to complete Week 2 to understand Week 3 and Weeks 2 and 3 to understand Week 4 and so on.

Over the course of the term, each student will write 11 assignments for a total of 55 points of which your lowest (by grade) will be dropped at the end of the semester and will not count to your final grade.

Choosing a State to Follow

Most of the weekly homework assignments include a component that requires students to collect and analyze information about the State and local finances in a particular using the Census of Governments. Students will choose one state from nine possible states (the list is available on Canvas) to use as "their state" for the assignments throughout the semester. Students may not change states after the initial selection.

Online Discussion

In addition, there is a weekly student discussion on class-related topics. The weekly discussion is worth 25 points toward your final grade. Your discussion is highly encouraged—all students have much to contribute—and is also *required*.

Final Exam

A final exam worth 20 points will be given as well. The exam will cover subjects from the entire class. During the exam, all course materials and outside sources may be consulted. The exam is thus open book. The final will comprise some short answers, some essays, and an analytic problem.

To summarize, class requirements include:

- 11 weekly assignments: 55 points (the assignment with the lowest grade will be dropped from your final grade)
- Thematic class discussion (12 weeks): 25 points
- Final examination: 20 points

Your assignment grades will be posted on Canvas.

COURSE GUIDELINES AND LOGISTICS

Online Organization

This course has a total of 12 modules covered over 13 weeks. For each module you will find the following components:

- class overview
- readings
- an assignment
- a discussion topic

NOTE: The class module components will be available online the () prior to the start of that week's class. For example, Class 2 begins on (). The materials for that week's class will be available online on (). This is to give some flexibility to the work schedule and provide two weekends during which you can complete that week's readings and assignment.

Readings

There are both required and optional readings. All required readings are available on our course site and

some of the optional readings are also available. The required readings are critical to completing the assignment on the week's given subject. The quantity of reading required for each week varies depending on the subject material.

Assignments

The assignments will form the core of your learning in this course and therefore constitute 55 percent of your grade. They most often require writing a few pages of text in response to a series of questions as well as collecting and analyzing data from your class selected state (CSS), which you will use throughout the semester.

Submitting Your Assignment

When completed, each assignment must be submitted on Canvas, *NOT* via email. Most assignments are due at () on the () following that class's week. For example, Class 2 runs from () to (). The Class 2 assignment is due by (). Your time-zone is irrelevant. Wherever you are, the assignment is due by ().

Late Submissions

Assignment submissions will be penalized by 2 points for each day late with a *maximum* loss of 20 points for lateness. We understand that most of you are working while taking this course which is why we allow for one of the assignments to be dropped during the semester. We will NOT accept late assignments for problem sets that have already had the answers posted online.

Assignment Guidelines

Foremost, the assignment must be your own. **Do not plagiarize** (see above about academic integrity). You will fail the assignment if you are caught plagiarizing. Any work that is not your own cannot be submitted for credit.

Also, *limit the use of direct quotes*. Many of the questions in the assignment are there to ensure that you are understanding the readings as you go along and can be taken directly from the text. **DO NOT QUOTE THIS MATERIAL**. Paraphrase. Paraphrase. Paraphrase. If you are unable to paraphrase the concepts in the readings, you have not understood them. **Students using excessive quotations in their assignments will lose points on their work!**

Questions about the Assignment

If you have questions about an assignment, **to guarantee a response, you must submit them to us by () on the () before the assignment is due. We do not guarantee a response for questions submitted**

later than this. For example, questions pertaining to the Class 2 assignment due on () must be submitted by () on (). Please plan your weeks accordingly. For all questions, we will do our best to respond within 24 hours.

For Class 1, the assignment is quite straightforward and relatively brief given it is the first week of class! We have also set the due date for the Class 1 assignment for () on () to give us an opportunity to iron out any first-week wrinkles. The assignments that follow are more robust. Although we have tried to keep the assignments relatively balanced, some are more demanding than others depending upon the nature of the material and the complexity of the associated calculations.

Discussions

Discussions are worth 25 percent of your grade. Our weekly discussions are meant to elicit a more informal student back and forth on a given subject. While we encourage you to remain on topic, feel free to engage the class with outside examples, questions, or relevant thoughts beyond its initial scope. These discussions are also where you will get to know your fellow classmates. We expect that we have a diverse group in this class—do take advantage of everyone's relative expertise and interests. Obviously, when discussing government, taxes, spending, etc., folks can have a variety of very strong opinions. We expect most of you will feel free to share them. But always remember, we are in an academic setting where discussions must be informed, knowledgeable, and respectful.

In order to receive full credit for the discussions, you must respond to each question or debate topic. We also require that you post at least your first response by () of that week. For example, in Class 2, you must post your first response by (). We are not as strict with the limit with discussions. As long as we can wake up () to a full set of responses, you will be fine. This does not mean you cannot post sooner or more than once—by all means, discuss as you wish! We will be following the discussion closely though hope to have a guiding role, not a substantive one.

COURSE SCHEDULE

			Assignment
Module	Dates	Topic	Due Date
1	() – ()	Federalism, Government Economic Scale and Number of Governments, and Budget Processes	()
2	() – ()	An Overview of State and Local Spending and Debt: Debt Service, Infrastructure, Medicaid, and Employee Retirement Obligations	()

3	() – ()	Education	()
4	() – ()	Affordable Housing	()
5	() – ()	An Overview of State and Local Taxes	()
6	() – ()	Taxation of Personal and Business Income	()
	() – ()	Reflective Week - No Assignment Due	
7	() – ()	Consumption Based Taxes	()
8	() – ()	Property/Wealth Taxation	()
9	() – ()	The Property Tax, “Ratables Chase” and Zoning	()
10	() – ()	Gaming and Other Non-Tax Revenues	()
11	() – ()	Interstate Fiscal Competition and Tax Expenditures	()
Break			
12	() – ()	State and Local Government Fiscal Challenges: Past and Present (COVID)	()
FINAL EXAM, AVAILABLE ONLINE: ()			
DUE: () at ()			

SUPPORT SERVICES

If you need accommodation for a *disability*, obtain a Letter of Accommodation from the Office of Disability Services. The Office of Disability Services at Rutgers, The State University of New Jersey, provides student-centered and student-inclusive programming in compliance with the Americans with Disabilities Act of 1990, the Americans with Disabilities Act Amendments of 2008, Section 504 of the Rehabilitation Act of 1973, Section 508 of the Rehabilitation Act of 1998, and the New Jersey Law Against Discrimination. More information can be found at ods.rutgers.edu.

[Rutgers University-New Brunswick ODS phone (848)445-6800 or email dsoffice@echo.rutgers.edu]

[Rutgers University-Newark ODS phone (973)353-5375 or email ods@newark.rutgers.edu]

If you are ***pregnant***, the Office of Title IX and ADA Compliance is available to assist with any concerns or potential accommodations related to pregnancy.

[Rutgers University-New Brunswick Title IX Coordinator phone (848)932-8200 or email jackie.moran@rutgers.edu]

[Rutgers University-Newark Office of Title IX and ADA Compliance phone (973)353-1906 or email TitleIX@newark.rutgers.edu]

If you seek ***religious accommodations***, the Office of the Dean of Students is available to verify absences for religious observance, as needed.

[Rutgers University-New Brunswick Dean of Students phone (848)932-2300 or email deanofstudents@echo.rutgers.edu]

[Rutgers University-Newark Dean of Students phone (973)353-5063 or email DeanofStudents@newark.rutgers.edu]

If you have experienced any form of ***gender or sex-based discrimination or harassment***, including sexual assault, sexual harassment, relationship violence, or stalking, the Office for Violence Prevention and Victim Assistance provides help and support. More information can be found at <http://vpva.rutgers.edu/>.

[Rutgers University-New Brunswick incident report link: <http://studentconduct.rutgers.edu/concern/>. You may contact the Office for Violence Prevention and Victim Assistance at (848)932-1181]

[Rutgers University-Newark incident report link: https://cm.maxient.com/reportingform.php?RutgersUniv&layout_id=7 . You may also contact the Office of Title IX and ADA Compliance at (973)353-1906 or email at TitleIX@newark.rutgers.edu. If you wish to speak with a staff member who is confidential and does **not** have a reporting responsibility, you may contact the Office for Violence Prevention and Victim Assistance at (973)353-1918 or email run.vpva@rutgers.edu]

If students who have experienced a temporary condition or injury that is adversely affecting their ability to fully participate, you should submit a request via <https://temporaryconditions.rutgers.edu> .

If you are a military **veteran** or are on active military duty, you can obtain support through the Office of Veteran and Military Programs and Services. <http://veterans.rutgers.edu/>

If you are in need of **mental health** services, please use our readily available services.

[Rutgers University-Newark Counseling Center: <http://counseling.newark.rutgers.edu/>]

[Rutgers Counseling and Psychological Services–New Brunswick: <http://rhscaps.rutgers.edu/>]

If you are in need of **physical health** services, please use our readily available services.

[Rutgers Health Services – Newark: <http://health.newark.rutgers.edu/>]

[Rutgers Health Services – New Brunswick: <http://health.rutgers.edu/>]

If you are in need of **legal** services, please use our readily available services: <http://rusls.rutgers.edu/>

Students experiencing difficulty in courses due to **English as a second language (ESL)** should contact the Program in American Language Studies for supports.

[Rutgers–Newark: PALS@newark.rutgers.edu]

[Rutgers–New Brunswick: eslpals@english.rutgers.edu]

If you are in need of additional **academic assistance**, please use our readily available services.

[Rutgers University-Newark Learning Center: <http://www.ncas.rutgers.edu/rlc>]

[Rutgers University-Newark Writing Center: <http://www.ncas.rutgers.edu/writingcenter>]

[Rutgers University-New Brunswick Learning Center: <https://rlc.rutgers.edu/>]

[Optional items that many faculty include:

- Students must sign, date, and return a statement declaring that they understand the RU Academic Integrity Policy.

- Students must sign, date, and return a statement declaring that they understand this syllabus.]