

**PSPA 611**  
**Public Revenue Analysis and Financial Management**

**Spring 2009**

**Dr. Michael T. Peddle**

**Monday 3:30-6:10 pm, NIU-DeKalb, Barsema Hall 331**

**Office Hours:**

Mondays 1:00 pm-3:00 pm in Zulauf Hall Room 415

Wednesdays 9:00-11:00 am in IASBO Room 205

**Office Phone Numbers:**

815-753-0942 (IASBO)

815-753-7039 (Zulauf Hall) –This number should be used first on Mondays

**E-mail address:**

[mpeddle@niu.edu](mailto:mpeddle@niu.edu)

**Blackboard class website:**

<http://webcourses.niu.edu>

**Required Texts:**

Bland, A Revenue Guide for Local Government, 2nd edition, ICMA, 2005.

Aronson & Schwartz, Management Policies in Local Government Finance, 5th edition, ICMA, 2004.

Lerner & Cashin, Schaum's Easy Outlines: Principles of Accounting, McGraw-Hill, 2001.

*Students are also advised to find and utilize an undergraduate public finance text as a supplementary resource. The chosen text need only be from the last twenty years or so (the more recent the better, but it is not necessary for the text to be current). You may consult with your professor for further assistance. You will find that David Hyman's public finance texts are very much in tune with Dr. Peddle's teaching style and terminology as he wrote the study guide for that text for many years during the 1980's and 1990's.*

**Course Description:**

This course is one of the two core budgeting and finance courses in the NIU MPA curriculum. Students will be introduced to the economics of and the theoretical basis for government financial activity, as well as the linkages between the expenditure and revenue sides of budgeting and financial administration. A significant portion of the course will be spent investigating various revenue sources available to public sector entities, the economic characteristics of each source, as well as the relative advantages and disadvantages of the various revenue sources under different economic and political conditions. Principles of financial accounting will be learned. Armed with this knowledge, we will also discuss the relationship between public finance and economic development. The remainder of the course will focus on financial administration and on policy discussion based on analytical papers and presentations by members of the class.

Grades in the course will be based on points earned on assignments and examinations. These points will be distributed as follows:

Class Participation.....	10%
Procurement Exercise .....	10%
Mid-Term Examination .....	30%
Paper.....	35%
Final Quiz.....	15%
Total .....	100%

*Grades will be calculated using a point system based on a total of 1000 points. (e.g., the paper will be worth 400 points). Students earning at least 90% of the course points will be guaranteed to receive a grade in the "A" range; students earning at least 80% of the points will be guaranteed to receive a grade at or above the "B" range. I do reserve the right to give you a grade that is **better** than the guaranteed grade (e.g., give students who have earned 85% of the points an A for the course). **It is each student's responsibility to familiarize themselves with Division, college, and university policies regarding academic dishonesty, as all such policies apply to this course.***

All assignments are due at the beginning of class on the assigned due date. Late assignments will be penalized 10% of the total possible points for every day they are late. As a matter of policy, no make-ups will be given for the examination.

With respect to either assignments that need to be turned in late or exams that need to be missed, contacting the instructor early on and discussing problems before the fact may allow mutually agreeable accommodations to be made.

*A portion of the fees you pay for this course covers the use of the computers in the Public Administration office building (IASBO building). These computers can be used to assist you in completing the procurement exercise, writing your examinations and researching and writing your paper. Please check with the PA office or website for lab hours.*

## COURSE OUTLINE

<u>Date</u>	<u>READING</u>	<u>B</u>	<u>A</u>
1/12	Introduction to public finance	1,2	1
1/26	Introduction to the tools of government finance Dillon's Rule Theory of taxation <b>PAPER ASSIGNED</b>		4
2/2	Theory of taxation Market Role Assessment	----- TBA -----	
2/9	<i>Choosing among revenue sources:</i> Income and consumption taxation	5, 6, 7	11
2/16	<i>Choosing among revenue sources:</i> Consumption and wealth taxation Property taxes in Illinois	4, 5, 6	10 "Illinois Property Tax System"
2/23	Property taxes in Illinois (continued) User fees, charges, and misc. revenue sources	8	12
3/2	User fees, charges, and misc. revenue sources (continued) Introduction to financial statements	Lerner/Cashin: Ch. 1	
<b>PASS OUT MIDTERM EXAM</b>			
3/9	SPRING BREAK		
3/16	<b>MIDTERM EXAM DUE</b> Public finance and economic development	3, 9	13
3/23	Financial Accounting I	Lerner/Cashin: Ch. 2, 3, 4	
3/30	Introduction to debt and debt management Financial Accounting II	Lerner/Cashin: Ch. 7, 8	
4/6	Cost-benefit analysis and capital budgeting Financial Accounting III	Lerner/Cashin: Ch. 9, 10	
4/13	Procurement	Lerner/Cashin: Ch. 5, 6	
4/20	Enterprise Resource Planning Systems		9
4/27	Topics in Financial Management and Administration <b>PAPER DUE</b>	TBD	
5/4	Final Quiz/Capstone session (4:00-5:50 PM—time to be confirmed)		

**B: Bland**

**A: Aronson & Schwartz**

**Additional reading may also be assigned as appropriate.**