**Course Information *TITLE***: LS 720 – Financial Models in Education

***LOCATION:*** Marshall University, South Charleston

## DAY & TIME:

* May 31
* June 21
* July 12
* August 2

**SEMESTER:** Summer, 2016

**INSTRUCTOR:** Dr. Charles N. Bethel

Office: 304-746-8952

E-mail: bethel3@marshall.edu

**PREREQUISITE:** Permission of the instructor.

***TEXTBOOK:*** *None, all material is found at the course site in Blackboard.*

# OVERVIEW:

The financial aspects of an institution affect every member of an institution, K-12 or higher education. This course is designed to develop a basic understanding of the financial operations of educational institutions, which is essential for all administrators.

# OBJECTIVES:

1. To explore the relationships among finances, mission, and governance.
2. To review the development of financial resources.
3. To understand the concept of financial management.
4. To understand the changing nature of funding public institutions.
5. To compare West Virginia with other states’ public support of public educdation.

# ATTENDANCE:

Class attendance is mandatory unless excused by the instructor.

# DISABILITIES:

I will make every effort to provide equal access to this course for all students. If a student has special needs as addressed by the American with Disabilities Act, and require course material in alternative formats, notify me immediately. I will do what I can to accommodate special needs.

# COURSE REQUIREMENTS AND GRADING:

1. **Case Study: Institutional Analysis *– Due June 28 (50 points)***

You are to analyze the financial status of an assigned institution of higher education or a public school county/district. Specific data elements will be discussed the first class night.

# Article Reviews (5 total – 5 points each) – Due May 24; June 7, 21; July 6, 26

Article reviews are intended to expose students to current periodicals in the field of education finance. The student will complete five written reviews of articles from the list of sources below. The student must obtain instructor approval to complete a review from a periodical not on the list.

Instructions: An article review is a critical commentary, which summarizes the contents of the article. Your review should include the key points in the article and how they apply to public education. Note the following guidelines:

Format: Keep the following in mind:

* 1. Double-spaced, size 12 font, 1-inch margins on all sides, and length being between 3-5 pages;
	2. be sure to have someone proof-read your paper before turning it in;
	3. be sure to interact with the author, but expressing your opinion is fine; and
	4. try to use action verbs whenever possible, avoiding the passive voice.

Content: The narrative should include the following:

1. clear statement of the author’s thesis or central argument (e.g., why was the article written? for whom was the article written?);
2. assessment of whether the author succeeded in achieving the purpose of the article; and
3. identification of the major strengths and weaknesses of the article.

# *3.* Group Assignment – Due July 12 (50 points)

Each group will be assigned three states for the purpose of comparing the financial structure for each state’s public education system. Analyzing each institution within a state is not required; rather, an examination of the state as a whole. The group will also prepare a one- page written summary, as well as a 5-minute presentation in the last class meeting. The elements to examine for each state include but are not limited to the condition of the economy; demographics; 5-year enrollment trends, including the most recent; tuition and fees trend (higher ed); level of state appropriation (K-12 and higher ed); income per capita; outlook for continued state support; political climate; and general public support for public education. Groups and assigned states are included in this syllabus. Also, a forum will be created in the Discussion Board for each group.

# Analytical Paper - Due August 1 (50 pts.)

Each student is expected to complete an analytical paper on a topic pertaining to education finance (i.e., any topic that is clearly related to either a policy or set of policies pertaining to the finance of public education and/or a topic that is clearly related to the responses of either students or institutions to a policy or set of policies pertaining to the finance of public education.

Your selected topic for the paper should be one that is personally and/or professionally meaningful and important to you; that is, you should let your own interests be your primary guide in choosing the current issue/topic you will analyze in your paper.

* 1. You might conduct a review and synthesis of relevant prior research literature to assemble the information and ideas about your topic on which you will base your analysis
	2. You might conduct a review and synthesis of relevant prior policy literature to assemble the information and ideas about your topic on which you will base your analysis
	3. You might conduct an empirical study using data and an appropriate research method to assemble some of the information about your topic on which you will base your analysis

Formatting:

1. The paper should be 5-7 pages using APA formatting guidelines
2. All papers should include the following:
	1. a description of the significance of the topic addressed;
	2. a statement of the problem or issue that you will analyze about your topic;
	3. a critical review of the relevant literature;
	4. a thoughtful analysis of the topic; and
	5. implications for policy, practice and future research.

You are required to submit a 1-page overview of your topic and your analytical approach to the instructor for approval no later than June 15.

* Grading criteria include
* depth and breadth of understanding you demonstrate;
* appropriateness of your topic;
* effectiveness of your presentation;
* insightfulness of the analysis;
* content;
* clarity;
* quality of writing; and
* proper formatting.

# Class Participation (25 points)

Class participation will be based on responses during class discussion and responses to the issues assignment. Responses in both venues will be evaluated for appropriateness and quality. Unexcused absences will result in point deduction.

## GRADING SCALE:

185-200 A

170-184 B

165-183 C

145-164 D

# Course Schedule (Flexible and Subject to Change) Readings completed by May 24 (1st Article Review Due)

Topic: History of Education Finance

* + An overview of education in the U.S
	+ Education Affordability
	+ Impact of the Financial Crises on Public Education in the United States
	+ Deep Cuts in Public Education Finances for States
	+ Retain Students, Retain Budgets
	+ What Colleges Can Learn From Recessions Past
	+ State Education Finance, 2014
	+ President Obama’s 2017 Budgets for Higher and K-12 Education

# Readings completed by May 31st – First Class Meeting

Topic: Patterns in Finance of Public Education

* + Creative Solutions to Public Education Finance
	+ Easily Distracted
	+ Performance Based Finance in Public Education (World Bank)

# Readings completed by June 7 (2nd Article Review Due)

Topic: State funding for public education; performance indicators linked to funding

* + - State Funding Trends and Policies on Affordability
		- Dealing with the Future Now
		- Demise of Performance Funding
		- The Changing Face of Accountability

# Readings completed by June 14

Topic: Privatization

* + Privatizing American public education: racing down a slippery slope
	+ The Perfect Storm and the Privatization of Education
	+ Privatization In and Out of Public Education in the US

# Readings completed by June 21 – Second Class Meeting (3rd Article Review Due)

Topic: Auditing: External & internal

* + Fund accounting
	+ Public institutions are urged to shift their accounting practices in the post-Enron era.
	+ Thanks, Enron: Auditors gain clout on campuses.
	+ Guidelines are developed to help colleges follow provisions of financial accounting law.
	+ Public-Private and Public-Public Partnerships
	+ Finances in the Clear

# Readings completed by June 28 (Case Study Due)

Topic: Contracts and grants

* + Don’t Overlook Contracts
	+ The mysteries of budgeting for a grant.
	+ The companies that colleges keep.
	+ Outsourcing Can Make Sense, but Proceed with Caution

# Readings completed by July 6

Topic: Institutional advancement in public education

* + Decline in Endowments May Affect Best College Ratings
	+ Updates on Capital Campaigns at 43 Colleges & Universities
	+ Endowment and Investment Potential in K-12?
	+ Study Examines Foundation Funding for Non-Profits

# Readings completed by July 12 - Third Class Meeting (Group Paper Due) Team Presentations

Topic: Revenue sources and expenditures

* + Rising administrative costs
	+ The Big Bang in Public and Private Faculty Salaries
	+ Administrations Are Too Bloated
	+ Grapevine: An Annual Compilation of Data on State Fiscal Support for Education

# Readings completed by July 19 (Case Study Due)

Topic: Budgeting

* + Finance Toolkit
	+ Maintaining Liquidity
	+ Strategies and Challenges
	+ The States and Their Institutions

# Readings completed by July 26 (Final Article Review Due)

Topic: Cost/Benefit analysis of education as a public good

* + Integrated Resource & Budget Planning (Chap. 1-3)
	+ Public Education for the Public Good
	+ University of Texas Code of Ethics for Financial Officers and Employees.
	+ NACUBO Code of Ethics

# Readings completed by August 2 - Fourth Class Meeting (Analytical Paper Due)

Topic: Intercollegiate/interscholastic athletics

* + Colleges pay a steep price to move to NCAA’s Division I
	+ Athletic Fund Raising: Plan of Action
	+ Knight Commission Report
	+ Fiscal Responsibility in Intercollegiate/Interscholastic Athletics

# HELPFUL WEB SITES

Education Commission of the States: [www.ecs.org](http://www.ecs.org/)

*The Chronicle of Higher Education:* [http://chronicle.com](http://chronicle.com/) Questia, the largest on-line library: [www.questia.com](http://www.questia.com/) *The Business Journal:* [www.business-journal.com](http://www.business-journal.com/) National Education Association: [www.nea.org](http://www.nea.org/)

American Association of State Colleges and Universities: [www.aascu.org](http://www.aascu.org/) Marshall University Library: [www.marshall.edu/library](http://www.marshall.edu/library)

College Board connect to college success: [www.collegeboard.com](http://www.collegeboard.com/) American Council on Education: [www.acenet.edu](http://www.acenet.edu/)

Council for Aid to Education: [www.cae.org](http://www.cae.org/)

Council for Higher Education Accreditation: [www.chea.org](http://www.chea.org/)

TCarnegie Foundation for the Advancement of Teaching: [www.carnegiefoundation.org](http://www.carnegiefoundation.org/) National Conference of State Legislatures: www.ncsl/org

National Association of College and University Business Officers: [www.nacubo.org](http://www.nacubo.org/) State & Local Governments on the Net: [www.statelocalgov.net/50states-education.cfm](http://www.statelocalgov.net/50states-education.cfm) West Virginia Higher Education Policy Commission: [www.hepc.wvnet.edu/](http://www.hepc.wvnet.edu/)

The Higher Learning Commission: [www.ncahigherlearningcommission.org](http://www.ncahigherlearningcommission.org/) Higher Education Resource Hub: [www.higher-ed.org/](http://www.higher-ed.org/)

Case Study: Institutional Assignments

* Hutchinson Community College
* New Mexico Highlands University

– Iowa Central Community College

* Pima Community College
* Kent State University
* Shawnee State University
* National Park Community College
* University of Wisconsin-Madison
* University of Colorado-Boulder
* Chadron State College
* South Dakota State University

Group Assignments and States

Group 1- Washington, Montana, Massachusetts

Group 2 – Oregon, Wyoming, Rhode Island

Group 3 – Idaho, Mississippi, Virginia

Group 4 – Georgia, Michigan