

**NYU****ROBERT F. WAGNER GRADUATE  
SCHOOL OF PUBLIC SERVICE**

# **PADM-GP 2142**

## **Financial Management II**

### **Spring 2024**

### **Instructor Information**

- Thad Calabrese
- Email: [thad.calabrese@nyu.edu](mailto:thad.calabrese@nyu.edu)
- Office Address: Puck 3050 (3<sup>rd</sup> Floor)
- Office Hours: Mondays, 2:30–5 pm, or by appointment
  - Office hours are over Zoom unless otherwise requested
  - Sign up [here](#)

### **Course Information**

- Class Meeting Time: Wednesday 4:55 pm–6:35 pm
- Class Location: 70 Washington Square South (Bobst), Room LL150

### **Course Prerequisites**

CORE-GP 1021: Financial Management

### **Course Description**

This course builds on the material from the core Financial Management class to further develop skills in managerial and financial accounting. The course covers the recording process (journal entries, T-accounts, adjusting entries, and closing entries), financial statement modeling, capital budgeting, and financial statement analysis. In addition, students will learn more about for-profit accounting and corporate structure, as well as how financial management differs across the government, not-for-profit, and for-profit sectors.

### **Course and Learning Objectives**

1. Practice recording financial transactions.
2. Learn about corporate structure and how for-profit accounting differs from government and not-for-profit accounting.
3. Develop skills in financial statement modeling.
4. Apply accounting knowledge to the analysis of financial statements.

## Learning Assessment Table

Corresponding Course Learning Objective	Corresponding Assignments
#1	Problem Sets, Midterm
#2	Problem Sets, Final Paper
#3	Problem Sets, Midterm
#4	Problem Sets, Final Paper

## Course Materials

The textbook for the first half of this course is: Williams et. al, **Financial Accounting**, 18th Edition (2021), McGraw Hill Education, ISBN:9781260247947. Please note that this course is participating in the Follett Access program. This is an NYU Bookstore initiative that delivers required course materials digitally at the lowest possible price. Under this program you will have digital access to the textbook for the length of the semester through the Brytewave platform. The cost of the book is \$41.25, which will be added as a “book charge” to your bursar bill. If you would prefer to opt out, you should [log in to the student portal](#), access your bookshelf, and remove yourself from the program. (Your username is your school email address). The deadline for opting out is February 6<sup>th</sup>. You may contact the bookstore with questions at [wsq.text@nyu.edu](mailto:wsq.text@nyu.edu) or 212-998-4656. If you wish to purchase the hard copy instead, it is available at the NYU Bookstore and on Amazon.com. It is fine to use an earlier edition of the textbook, though I would suggest not obtaining one that is more than 4 years old.

In addition to the textbook, we will also be reading several cases. The **course casepack** is not available at the NYU Bookstore. It costs \$14.85 and can be ordered through the following [link](#).

Additional readings will be posted on Brightspace.

## Course Requirements

There will be three components used in determining your final grade for the course:

### Problems Sets, 20%

There are a total of 6 problem sets, each of which is worth 3-4% of your grade. Problem sets are due at the **beginning** of each class and should be submitted via Brightspace. If you do not submit the assignment prior to the start of class, you will receive no credit. I encourage you to work on the assignments in small groups, however each student must write and submit his or

her own assignment. Two or more students turning in identical homework assignments constitutes cheating and will be reported to the administration and subject to disciplinary action.

### Midterm, 30%

The midterm will take place during the regularly scheduled class time in week 7. Please note the date of the exam; if you have a conflict, please come speak to me at the beginning of the semester.

### Final Project, 50% (see handout for details)

- Project Proposal, ungraded – for feedback only
- Pro Forma Financial Statements (Spreadsheets), 10%
- Final Paper, 40%

## Academic Integrity

Academic integrity is a vital component of Wagner and NYU. All students enrolled in this class are required to read and abide by [Wagner's Academic Code](#). Plagiarism of any form will not be tolerated and students in this class are expected to report violations to me. If any student in this class is unsure about how to abide by the academic code, please consult with me.

## Henry and Lucy Moses Center for Students with Disabilities at NYU

Academic accommodations are available for students with disabilities. Please visit the [Moses Center for Students with Disabilities \(CSD\) website](#) and click on the Reasonable Accommodations and How to Register tab or call or email CSD at (212-998-4980 or [mosescsd@nyu.edu](mailto:mosescsd@nyu.edu)) for information. Students who are requesting academic accommodations are strongly advised to reach out to the Moses Center as early as possible in the semester for assistance.

## NYU's Calendar Policy on Religious Holidays

[NYU's Calendar Policy on Religious Holidays](#) states that members of any religious group may, without penalty, absent themselves from classes when required in compliance with their religious obligations. Please notify me in advance of religious holidays that might coincide with class assignments to schedule mutually acceptable alternatives.

## Class Schedule at a Glance

Week	Class	Date	Topics	Assignments
1	1	January 24	Accounting Basics	
2	2	January 31	Capturing Economic Events	Prob Set 1 Due
3	3	February 7	Adjusting Entries	Prob Set 2 Due
4	4	February 14	Inventories & Liabilities	Prob Set 3 Due
5	5	February 21	Corporate Structure & Stockholder's Equity	Prob Set 4 Due
6	6	February 28	Cash Flow Statement & Financial Statement Analysis	Prob Set 5 Due
7	7	March 6	Midterm	
8	8	March 13	Risk and Capital Budgeting	
9		March 20	NO CLASS – SPRING BREAK	
10	9	March 27	Modeling Financial Statements	Prob Set 6 Due
11	10	April 3	For-Profit Financial Management	Project Proposal Due
12	11	April 10	Not-for-Profit Financial Management	
13	12	April 17	Government Financial Management I	Pro Forma Spreadsheets Due
14	13	April 24	Government Financial Management II	
15	14	May 1	Government Financial Management III	
16		May 8		Final Project Due

### Class 1: Accounting Basics

Topics Covered:

- Course Overview
- Financial Statements

Read before class:

- Textbook: Chapters 1 and 2

### Class 2: Capturing Economic Events

Topics Covered:

- Nonprofit Accounting
- The Accounting Cycle
- Trial Balance

Read before class:

- Textbook: Chapter 3

Assignments Due:

- Problem Set 1

### **Class 3: Adjusting Entries**

Topics Covered:

- Accruals and Deferrals

Read before class:

- Textbook: Chapters 4 and 5

Assignments Due:

- Problem Set 2

### **Class 4: Inventories and Liabilities**

Topics Covered:

- Sales and Inventory
- Liability Transactions

Read before class:

- Textbook: Chapters 6, 8, and 10

Assignments Due:

- Problem Set 3

### **Class 5: Corporate Structure and Stockholder's Equity**

Topics Covered:

- Corporate Form of Organization
- Stockholder's Equity

Read before class:

- Textbook Chapters 11 and 12

Assignments Due:

- Problem Set 4

### **Class 6: Statement of Cash Flows and Financial Statement Analysis**

Topics Covered:

- Statement of Cash Flows
- Ratio Analysis

Read before class:

- Textbook Chapters 13 and 14

Assignments Due:

- Problem Set 5

## **Class 7: Midterm**

## **Class 8: Capital Budgeting and Risk**

Topics Covered:

- Discounted Cash Flow Analysis
- Capital Budgeting Under Uncertainty

Read before class:

- Brealey, Myers, and Allen, Chapters 6 and 9 (Posted on Brightspace)

## **Class 9: Modeling Financial Statements**

Topics Covered:

- Pro Forma Financial Statements

Read before class:

- Bettner Chapter 5 (Posted on Brightspace)

Assignments Due:

- Problem Set 6

## **Class 10: For-Profit Financial Management**

Topics Covered:

- Debt vs. Equity

Read before class:

- Case: Flash Memory, Inc.

Assignments Due:

- Project proposal

## **Class 11: Not-for-Profit Financial Management**

Topics Covered:

- Not-for-Profit Business Models

Read before class:

- Case: Nonprofit Business Models and Financial Statement Relationships (A)

## **Class 12: Government Financial Management I**

Topics Covered:

- Tax Policy

Read before class:

- Tax Policy Center, Briefing Book, pp. 1-18 (up to “How does the budget process work?”), 603-633 (from “What are the sources of revenue for state governments?” up to “How do state estate and inheritances taxes work?”)

Assignments Due:

- Spreadsheets with Pro Forma Financial Statements and assumptions

## **Class 13: Government Financial Management II**

Topics Covered:

- Budget Process

Read before class:

- Urban Institute, Sustainable Budgeting in the States
- CBPP, Policy Basics: Introduction to the Federal Budget Process

## **Class 14: Government Financial Management III**

Topics Covered:

- Government Legacy Costs
- Muni Bond Market

Read before class:

- Case: Bankruptcy in the City of Detroit

## **Class 15: Final Project Due**