Loyola University of Chicago - School of Education
Syllabus – Problems in Finance and Business Management
ELPS 468-001 (4711) Summer 2015

Instructor: Dr. Gary Zabilka
Day/Time: Mondays/Wednesdays, 5:00 PM to 8:00 PM
May 18th to June 24th, 2015 (See Class Schedule)
Location: Loyola University – Corboy Law Center- Room 901
847/715-8531 (Cell)
Office Hours: Before and after class, or by appointment
E-mail: gzabilka@iasaedu.org

Required Readings:


Taking the Mystery Out of Illinois School Finance (7th Edition) is published by the National Council of Professors of Educational Administration.

1. Go to the following website:
   http://www.lulu.com/shop/search.ep?keyWords=NCPEA+Press&categoryId=100501
2. Select version of book to purchase and proceed to Checkout.
3. Follow checkout procedures. You will receive your order in less than a week.

Other readings: In addition, some reading will be distributed in class or posted. Additions and/or modifications may be made to these proposed readings. Key course documents, resources and Power Point “Study Guides/Notes” from class will also be posted.

Syllabus and Accompanying Documents: The syllabus includes the following accompanying documents:

1. Syllabus
2. Schedule
INSTRUCTIONAL METHODOLOGIES: Lecture, discussion, student presentations and small group work (in class activities) will be the instructional methods utilized in this course.

ELPS 468: This course is designed for doctoral students who will examine school finance from various perspectives: historical; governmental (local, state and federal); political; philosophical; and practical. Course assignments will emphasize analysis of school district finances and available data. The course provides for an in-depth study of Illinois school finance including an examination of how school districts make financial decisions. The role of district administrators in financial planning and budgeting will also be discussed.

The course will examine: 1) The essentials of funding of Illinois schools; 2) Tax caps and finance cycles; 3) Budget preparation and management and school district audits; 4) Strategies school districts use to maximize district revenues and control expenditures; 5) Fiduciary responsibilities; 6) Bidding and purchasing and managing school facilities and resources; 6) Financial projections; 7) Debt financing; 8) Illinois’ retirement systems and tax sheltered investment mechanisms available to school personnel; and, 9) Employee benefit and compensation programs.

Learning activities are designed to focus on practical issues in school finance and topics of interest to students.

COURSE OBJECTIVES/GOALS

- Review the historical basis of funding U.S. public education
- Review federal legislative action
- Learn how Illinois schools are funded.
- Learn about the Illinois school finance cycles for property taxes, district budgets and school district levies.
- Learn how school budgets are developed and managed at the district level.
- Learn how to use school audits in conducting financial analysis.
- Learn how to analyze district financial information and create preliminary financial projections.
- Learn how school districts establish employee compensation and benefit programs.
- Develop an understanding of strategies public school administrators employ to maximize revenues and control expenditures.
- Learn how a school district referendum is organized.
- Identify fiduciary responsibilities of school officials and Board Members.
- Examine school district purchasing procedures/issues including the function, purpose and process of bidding, requests for proposals and qualifications, etc.
- Learn about managing school district facilities, issues and processes.
Review Illinois teacher retirement systems and available district tax sheltered investments for teachers and administrators.

Identify current challenges to public school finance, i.e., voucher plans, charter schools, for profit schools, etc.

Learn about school district reorganization as a political and, possibly, financial issue in Illinois.

COURSE REQUIREMENTS

1. **Attendance and Participation:** Attend class on time and actively participate in discussions and activities. The student’s participation score will be based on the student’s attendance pattern as well as contributions to class. Partial attendance results in partial points. **(10 points per class, 100 total points)**

Preparation for class includes reading assigned materials, downloading study guides and preparing for in class activities as assigned. For example, students may be asked to bring to class actual property tax bills, district salary schedules and/or asked to do brief surveys or prepare short explanations on finance issues.

2. **Prepare three (3) papers.** **(50 points each, 150 total points)**

A. **A Financial Analysis of the Education Fund of a given School District: (50 points), 5 page minimum**

This profile will be prepared using data from the last three audits of the school district, FY14 (2013 – 2014), FY13 (2012 – 2013) and FY12 (2011 – 2012). Explore only the Education Fund. To prepare for this paper we will conduct an in class activity designed to introduce students to a school district audit.

The function of the paper is to develop a coherent understanding of the financial position of a school district’s Education Fund. You should consider yourself as a financial consultant asked by the school district to summarize their financial position. In the paper, analyze the following financial date. After having explained the information, draw a conclusion as to the financial position of the district along with an appropriate analysis.

Initially, download the spreadsheet found on Blackboard (Assignments > Educational Data Spring 2013) and place your data into the appropriate tables as follows:

1) **Table 1 – Education Fund Revenues, Expenses and Fund Balances**
   "Statement of Cash Receipts, Disbursements and Changes in Fund Balances, Government Funds"

2) **Table 2 – Education Fund, Budgeted v Actual**
"Statement of Cash Receipts, Disbursements and Changes in Fund Balances, Education Fund, Budgeted and Actual"

3) Table 3 - District Debt
4) Table 4 – Tax Rates, Extensions and EAV
   "Additional Supplementary Information, Schedule of Assessed Valuations, Tax Rates and Tax Extensions"
5) Table 5 – Per capita tuition
   "Additional Supplementary Information, Schedule of Per Capita Tuition Charge"

Insert these tables and appropriate charts into your paper at the appropriate place in the text.

Discuss and/or explore the following:

1) Using the above data, discuss the district’s current financial position.
2) Then, create four years of projections using revenue and expenditure assumptions. For FY15 use the current budgeted figures. For FY16, FY17 and FY18 create projections based upon increases in revenues and expenditures. Ask the Business Manager/Assistant Superintendent of Business her/his advice for a reasonable percent increase for expenditures over the next years. Explain the assumptions behind the percentage increases.
3) In the “Notes” and “Management Discussion” section of the audit, identify any possible unique and/or major issues, features or topics facing the district. Review the auditor’s perspective on the district. Did the district’s auditors pose any questions or concerns in their letter to the Board of Education or elsewhere in the audit?
4) Prepare your conclusion as to the strengths and/or weaknesses of the financial position of the district? Financially, where is the district at now and where do you predict the district will be in the future? What factors will influence the district’s future financial position? Defend your conclusion by referencing the data.

B. Answering Key School Finance Questions for the Public (50 Points) 6-page minimum

Paper: Students will prepare answers to three key school finance questions. These answers will be directed to a public audience, i.e., school board members, community individuals, and others. The goal of this assignment will be to prepare you to answer real life school finance questions for a public audience.
Your paper should demonstrate accurate information using the class text, course discussions and other sources. You will answer each of these questions in no more then two – three pages (for a total of a minimum of six pages plus references). While the paper should follow the APA format for citations and reference, your writing style should be directed to the public.

When the paper is due, we will share "answers" in class.

C. Interview Case Study – Dealing with a Deficit Case Study (Long-Range School District Financial Planning Case Study ) (50 points) – 8-page minimum

This assignment is considered a "core assessment" for the School of Education.

Students will interview a district level administrator (superintendent, assistant superintendent, business manager) responsible (or sharing in responsibility) to fashion strategic responses to district finances. Each student will prepare her or his own paper based upon an analysis of the interview and the course readings and discussions. Finally, each group will present their findings to the class using a PowerPoint presentation.

The details of the assignment and the rubric are will be handed out in class and can be found on Blackboard in a separate handout titled, “Long-Range School District Financial Planning Case Study.”

GRADES: The final grade in the course will be determined as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation/Attendance: 10 points per class, 10 classes</td>
<td>100</td>
</tr>
<tr>
<td>Financial Analysis Paper</td>
<td>50</td>
</tr>
<tr>
<td>Answering Key School Finance Questions</td>
<td>50</td>
</tr>
<tr>
<td>Dealing with a Deficit Case Study</td>
<td>50</td>
</tr>
<tr>
<td>Dispositions</td>
<td>50</td>
</tr>
<tr>
<td>Total Points</td>
<td>300</td>
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</tbody>
</table>

ELECTRONICS IN CLASS: During class, please turn-off your cell phones and computers. For the Financial Analysis Paper, we will use your laptops in class. However, at all other times, you will keep your computers, tablets and smart phones off.

EMAIL: Students who wish to re-route their Loyola (Iuc) email to their current email address should see Loyola’s Personal Account Manager, https://pellonia.luc.edu/iuadmin for instructions.
OBJECTIVES:

Objectives for Loyola’s IDEA course evaluation are divided into three categories: 1) Essential; 2) Important; and, 3) Minor. For ELPS 468 the objectives are identified as follows:

**Essential Objectives**
1. Learning to apply course material (to improve thinking, problem solving, and decisions)
2. Developing specific skills, competencies, and points of view needed by professionals in the field most closely related to this course
3. Learning how to find and use resources for answering questions or solving problems
4. Gaining factual knowledge (terminology, classifications, methods, trends)

**Important Objectives**
5. Learning to analyze and critically evaluate ideas, arguments, and points of view
6. Developing skill in expressing oneself orally or in writing
7. Learning fundamental principles, generalizations, or theories
8. Acquiring skills in working with others as a member of a team
9. Developing a clearer understanding of, and commitment to, personal values
10. Acquiring an interest in learning more by asking questions and seeking answers

**Minor Objectives**
11. Developing creative capacities (writing, inventing, designing, performing in art, music, drama, etc.)
12. Gaining a broader understanding and appreciation of intellectual/cultural activity (music, science, literature, etc.)

**Academic Honesty**
Academic honesty is an expression of interpersonal justice, responsibility and care, applicable to Loyola University faculty, students, and staff, which demands that the pursuit of knowledge in the university community be carried out with sincerity and integrity. The School of Education’s Policy on Academic Integrity can be found at: [http://www.luc.edu/education/academics_policies_integrity.shtml](http://www.luc.edu/education/academics_policies_integrity.shtml). For additional academic policies and procedures refer to: [http://www.luc.edu/education/academics_policies_main.shtml](http://www.luc.edu/education/academics_policies_main.shtml)
Accessibility
Students who have disabilities which they believe entitle them to accommodations under the Americans with Disabilities Act should register with the Services for Students with Disabilities (SSWD) office. To request accommodations, students must schedule an appointment with an SSWD coordinator. Students should contact SSWD at least four weeks before their first semester or term at Loyola. Returning students should schedule an appointment within the first two weeks of the semester or term. The University policy on accommodations and participation in courses is available at: http://www.luc.edu/sswd/

EthicsLine Reporting Hotline
Loyola University Chicago has implemented EthicsLine Reporting Hotline, through a third party internet & telephone hotline provider, to provide you with an automated and anonymous way to report activities that may involve misconduct or violations of Loyola University policy. You may file an anonymous report here on-line or by dialing 855-603-6988. (within the United States, Guam, and Puerto Rico)

The University is committed to the highest ethical and professional standards of conduct as an integral part of its mission of expanding knowledge in the service of humanity through learning, justice and faith. To achieve this goal, the University relies on each community member's ethical behavior, honesty, integrity and good judgment. Each community member should demonstrate respect for the rights of others. www.luc.edu/ethicsline

Conceptual Framework
Each syllabus is required to have a statement explaining how the SOE’s Conceptual Framework—Professionalism in Service of Social Justice—is exemplified within the context of that particular course. Please be sure to state the conceptual framework, as well as thoughtfully elaborate on how it is exemplified within the context this course. If this course houses a Core assessment for one or more of the CF Standards for your program area it is critical that you include the CF standard(s) and describe how it weaves through the course and is assessed. Our conceptual framework is described here: http://www.luc.edu/education/mission/ Please feel free to use all or part of this on your syllabus.

Dispositions
This is a new requirement: Each syllabus is required to have a statement describing what SOE dispositions will be assessed in this course. These dispositions, Professionalism, Fairness, and the Belief that all students can learn, are indicators of growth for different levels in the program. Full transparency will be critical to ensure that candidates are able to meet the expectations of the developmental disposition standards. Please be sure to state the disposition that will be assessed in the course along with the rubric that will be used. Developmental disposition data will be available every semester to programs (or as needed) so programs can handle issues as they arise.
Technology
Each syllabus is required to have a statement explaining how technology is integrated into the framework of the course.

Electronic Communication Policies and Guidelines
The School of Education faculty, students and staff respect each other’s rights, privacy and access to electronic resources, services, and communications while in the pursuit of academic and professional growth, networking and research. All members of the university community are expected to demonstrate the highest standards of integrity, communication, and responsibility while accessing and utilizing technology, information resources, and computing facilities. A link to the Loyola University Chicago and School of Education official policies and guidelines can be found at:
http://www.luc.edu/media/lucedu/education/pdfs/SOE_Cyberbullying_Policy.pdf

Diversity
Each syllabus is required to have a statement relating to diversity and how it is addressed in the context of the course.

Teacher Prep Courses with Clinical Components
If you are unsure about this requirement and your course, check with Ann Marie Ryan. All courses with clinical components must include specific information about the clinical experience in the syllabus.

- Students should be able to tell what portion of the final grade reflects the work they do in a clinical setting,
- what specific assignments must be completed in clinicals,
- the criteria being used to evaluate the products that come out of that work,
- the course objectives that relate directly to that work, and
- consequences for:
  - not attending clinicals
  - not conducting themselves in a professional manner, or
  - not completing the related coursework.
- It is also important to indicate either a total number of hours that must be served, or, start and end dates; days of attendance; and a suggested daily schedule for students in an educational block.
**Standards:** The applicable ELCC (Educational Leadership Constituent Council) and ISBE (Illinois State Board of Education) standards for ELPS 468 are as follows:

<table>
<thead>
<tr>
<th>Financial Management and Resource Allocation</th>
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</thead>
<tbody>
<tr>
<td>NCATE Standards: The school leader has the understanding and the capability to:</td>
</tr>
</tbody>
</table>
| 1.7 Manifest a professional code of ethics and values | 5D. Professional code of ethics.  
5E/F. Examines and demonstrates personal and professional codes of ethics.  
5G. Demonstrates values, beliefs and attitudes that inspire others to high levels of performance. |
| 2.2 Use qualitative and quantitative data to inform decisions, to plan and assess school programs, to design accountability systems, to plan for school improvement, and to develop and conduct research | 1D. Information sources, data collection, and data analysis strengths.  
3K. Emerging trends are recognized, studied, and applied as appropriate. |
| 4.1 Work with faculty and other stakeholders to identify needs for professional development | 5N. Recognizes and respects the legitimate authority of others.  
5J. Uses the influence of the office to enhance the educational program. |
| 4.5 Identify and apply appropriate policies, criteria and processes for the recruitment, selection, induction, compensation and separation of personnel, with attention to issues of equity and diversity. | 3D. Management and development of human resources. |
| 5.3 Develop and administer policies that provide a safe school environment and promote student health and welfare. | 3C. Principles and issues relating to school safety and security.  
3N. The school plant, equipment, and support systems operate safely, efficiently, and effectively.  
3W. A safe, clean, and aesthetically pleasing environment is created and maintained. |
| 8.1 Identify and analyze the major sources of fiscal and non-fiscal resources for schools and school districts. | 1R. Financial, human and material resources are sought and obtained to support the implementation of the school mission and goals.  
3Q. Resources are aligned to the goals of the school. |
| 8.2 Acquire and managed financial and material assets, and capital goods and services, allocating resources according to district and school priorities (e.g. property, plant, equipment, transportation, and food service.). | 1R. (See above)  
3E. Principles and issues related to fiscal operations of school management.  
3F. Principles and issues relating to school facilities and use of space.  
3Q. Resources of the school are managed ethically, legally, efficiently and effectively. |
| 8.3 Develop an efficient budget planning process that is driven by district and school priorities and involves staff and community. | 3Q. (See above) |
| 8.4 Perform budget management functions including financial planning, monitoring, cost control, expenditure accounting, and cash flow management. | 3S. Responsibility is shared to maximize ownership and accountability.  
3V. Resources of the school are managed ethically, legally, efficiently and effectively. |
| 9.2 Apply and assess current technologies for school management and business procedures. | 3H. Current technologies, which support management functions.  
3U. There is effective use of technology to manage school operations. |
## Dispositions Rubric

<table>
<thead>
<tr>
<th>PROFESSIONALISM</th>
<th>Target</th>
<th>Acceptable</th>
<th>Unacceptable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candidate meets all deadlines</td>
<td>Candidate meets all deadlines consistently.</td>
<td>Candidate meets deadlines with a few exceptions.</td>
<td>Candidate frequently does not meet deadlines.</td>
</tr>
<tr>
<td>Candidate attends class and is punctual to class</td>
<td>Candidate consistently attends class and is always punctual.</td>
<td>Candidate attends class and is punctual with a few exceptions.</td>
<td>Candidate frequently misses class and/or is often tardy.</td>
</tr>
<tr>
<td>Candidate honestly and accurately cites other’s work</td>
<td>Candidate honestly and accurately cites other’s work in a consistent manner.</td>
<td>Candidate honestly cites other’s work but at times is not accurate with the exact citation.</td>
<td>Candidate misrepresents other’s work as his/her own.</td>
</tr>
<tr>
<td>Candidate is punctual for meetings within the professional setting (internship)</td>
<td>Candidate is punctual on a consistent basis for meetings within the professional setting. (internship)</td>
<td>Candidate is punctual for meetings, with a few exceptions, within the professional setting. (internship)</td>
<td>Candidate is consistently not punctual for meetings within the professional setting. (internship)</td>
</tr>
<tr>
<td>Candidate communicates promptly with faculty</td>
<td>Candidate consistently communicates in a prompt manner (either by email or phone) with faculty.</td>
<td>Candidate usually communicates with faculty in a prompt manner (either by email or phone).</td>
<td>Candidate does not communicate with faculty in a prompt manner causing much disruption to the implementation of the candidate’s program.</td>
</tr>
<tr>
<td>Candidate uses technology in the classroom only for academic purposes</td>
<td>Candidate consistently uses technology in the classroom only for academic purposes.</td>
<td>Candidate uses technology in the classroom for academic purposes with a few exceptions.</td>
<td>Candidate uses technology inappropriately often checking personal email and/or surfing the web in the classroom.</td>
</tr>
<tr>
<td>Candidate demonstrates ethical behavior in all graduate work as prescribed by AASA and ISLLC standards</td>
<td>Candidate consistently demonstrates ethical behavior in all graduate work as prescribed by AASA and ISLLC standards.</td>
<td>Candidate demonstrates ethical behavior in all graduate work as prescribed by AASA and ISLLC standards with few exceptions.</td>
<td>Candidate demonstrates unethical behavior (such as dishonesty, cheating, or spreading gossip) in graduate work.</td>
</tr>
<tr>
<td>FAIRNESS</td>
<td>Target</td>
<td>Acceptable</td>
<td>Unacceptable</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Candidate is able to reflect and respect other points of view within the school environment (internship)</td>
<td>Candidate consistently reflects and respects other points of view within the school environment. (internship)</td>
<td>Candidate respects other points of view with few exceptions. In the case of these exceptions, the candidate reflects to remedy the situation within the school environment (internship)</td>
<td>Candidate does not respect other points of view. The candidate does not reflect upon his/her unfair behavior and does not attempt to remedy the situation within the school environment (internship)</td>
</tr>
<tr>
<td>ALL STUDENTS CAN LEARN</td>
<td>Candidate demonstrates a belief that all students can learn within the school environment (internship)</td>
<td>Candidate consistently demonstrates a belief that all students can learn within the school environment. The candidate will not tolerate a culture com placent with failure. (internship)</td>
<td>Candidate does not demonstrate a belief that all students can learn within the school environment and is complacent with a culture of failure. (internship)</td>
</tr>
<tr>
<td>Candidate demonstrates respect for cultural differences within the school environment (internship)</td>
<td>Candidate consistently demonstrates respect for cultural differences within the school environment and continually seeks to gain greater inter-cultural competence. (internship)</td>
<td>Candidate demonstrates respect for cultural differences within the school environment with few exceptions. The candidate seeks to gain greater inter-cultural competence. (internship)</td>
<td>Candidate does not demonstrate respect for cultural differences within the school environment and does not seek to gain inter-cultural competence. (Internship)</td>
</tr>
<tr>
<td>Candidate demonstrates social justice within the school environment (internship)</td>
<td>The candidate advocates strongly for social justice within the school environment in both word and deed. (internship)</td>
<td>The candidate supports social justice within the school environment in both word and deed. (internship)</td>
<td>The candidate’s words and deeds within the school environment do not support the principles of social justice. (internship)</td>
</tr>
</tbody>
</table>
ASSIGNMENT RUBRIC: INTERVIEW CASE STUDY:
DEALING WITH A DEFICIT CASE STUDY (50 POINTS)

Student: _________________________________________________

Content (40 points)
___ Paper on time
___ Introduction (Briefly describes the person you interviewed including personal background and experience with school financial planning as well as the demographic characteristics of the district.)
___ Salient interview issues
___ Analysis of interview and use of readings and class discussions.
  1. The most significant organizational, management, and resource challenges.
  2. The primary sources of school district revenue?
  3. How do superintendents work effectively.
  4. How superintendents engage school boards and other stakeholders.
  5. Long range planning techniques.
  6. Political, legal, and moral issues.
  7. Budgeting processes and fiduciary responsibilities.
  8. Strategies to maximize this school district's revenues and minimize expenditures.
___ Conclusion: What have you learned from the interview concerning the management of district finances?

Presentation (5 points): Active participant
___ Class Presentation (5 points)
  _____ PowerPoint Presentation: a) 10 or fewer slides; and b) 4 or fewer lines per slide.

Writing (5 points)
___ APA Format
  ____ 1” margins with 12 point type
  ____ Title page and running headers
  ____ Separate reference page
  ____ Text citations
___ Organization (Introduction, body of paper and conclusion.)
___ Paragraph structure
___ Sentence construction
___ No contractions
___ Proofreading and editing (Grammar, Punctuation, Acronyms)
___ Summarizing, paraphrasing and using quotations
___ Proper comma usage (compound and complex sentences)

___ Total Points and Comments:
ASSIGNMENT RUBRIC: FINANCIAL ANALYSIS (50 points)

Student: ________________________________

___ Paper on time

___ Content (45)
   ___ Introduction
      Areas of data analysis:
      ___ 1) Table 1 – Education Fund Revenues, Expenses and Fund Balances
      ___ 2) Table 2 – Education Fund, Budgeted v Actuals
      ___ 3) Table 3 - District Debt
      ___ 4) Table 4 – Tax Rates, Extensions and EAV
      ___ 5) Table 5 – Per capita tuition
      ___ 6) Provide a discussion of the district’s finances.
      ___ 7) Unique and/or major issues, features or topics as found in the “Notes” section of the Audit.
      ___ 8) Any issue(s) raised by the district’s auditors.
      ___ 9) Conclusion
         ___ Past financial trends in expenditures, revenues or other financial factors affecting the district.
         ___ Projections and assumptions for the projections.
         ___ The overall strength/weakness of the financial position of the district as represented by the data you analyzed.

___ Writing (5 points)
   ___ APA Format
      ___ 1” margins with 12 point type
      ___ Title page and running headers
      ___ Separate reference page
      ___ Text citations
   ___ Organization (Introduction, body of paper and conclusion.)
   ___ Paragraph structure
   ___ Sentence construction
   ___ No contractions
   ___ Proofreading and editing (Grammar, Punctuation, Acronyms)
   ___ Summarizing, paraphrasing and using quotations
   ___ Proper comma usage (compound and complex sentences)

___ Total

Comments:
ASSIGNMENT RUBRIC: ANSWERING KEY SCHOOL FINANCE QUESTIONS FOR THE PUBLIC (50 POINTS)

Student: ________________________________

___ Paper on time.

___ Content (40 points): Answered each question informatively and accurately.
___ 1) Question 1
___ 2) Question 2
___ 3) Question 3

___ Writing – Style (5 points)
___ 1) Spoke to the intended audience.
___ 2) Used a straightforward approach that avoided jargon
___ 3) Presented answers clearly and persuasively.

___ Writing - Technical (5 points)
___ APA Format
___ 1” margins with 12 point type
___ Title page and running headers
___ Separate reference page
___ Text citations
___ Organization (Introduction, body of paper and conclusion.)
___ Paragraph structure
___ Sentence construction
___ No contractions
___ Proofreading and editing (Grammar, Punctuation, Acronyms)
___ Summarizing, paraphrasing and using quotations
___ Proper comma usage (compound and complex sentences)

___ Total Points

Comments: