

Course No.:	FINANCE 35
Course Title:	PUBLIC FINANCE
Teacher:	AB AGOSTO

Course Description:

Public Finance is the study of the role of the government in sourcing public funds, allocating wealth and spending money for the delivery of basic services to its citizens. These services include but not limited to healthcare, roads, bridges, subsidies, safety and housing. The course is designed to impart theoretical foundation and application on how the central (also referred to as national) and local governments raise funds and spend money for the implementation of socio-economic programs. Students will be first introduced on the multi-tiered government system of the Republic of the Philippines: central government, component provinces, cities, municipalities and barangays. As the course progresses towards the middle of the semester, discussion on the existing programs of the central Philippine government will follow as well as those in the sub-national government (Local Government Units) in consonance with the mandate of Republic Act 7160 commonly known as the Local Government Code of 1991.

Various departments under the central Philippine government including its agencies and bureaus such as but not limited to the following: Department of Education (DepEd), Department of Health (DOH), Department of Public Works and Highways (DPWH), Department of Finance (DOF) and Department of Transportation and Communication (DOTC) will be presented to the students for appreciation on the application of Public Finance in the Philippine context. Moreover, this syllabus designed based on the OBE principles of the University of San Carlos as such classroom, onsite and offsite activity will be required to reinforce learning. Examples of such activities are: actual observation on local budget hearings in the City of Cebu or other city as may be selected, visits to ongoing infrastructure projects, partnership with foreign partners in the likes of USAID and JICA, interviews of beneficiaries of socio-economic programs and data gathering of current livelihood programs will be an integral part of the course. Alternative learning activities may be used depending on the teacher handling the subject. These may include visits to various Government Owned and Controlled Corporation (GOCC) and offices.

While the implementation of Public Finance in the Philippine setting is broad, the central government transfers some of its functions and powers to the local level: provincial, city, municipal governments allowing these entities to design and implement socio-economic programs that best address the needs of its local residents. Procurement of goods and services as practiced by the central and local government will be discussed coupled with student immersion activity through educational tours.

As part of OBE strategy, students will be required to submit term requirements such as: a copy of the Local Budget in their respective cities or municipalities or barangays, document the allocation of 20% Development Fund, interview administrators (or local treasurers) for local enterprise programs and learning write-ups on observations in the bidding process. Learning will be reinforced by guest lecturers from Government Owned and Controlled Corporation (GOCC's) such as SSS, GSIS, HDMF and PhilHealth to articulate on their respective programs that alleviate poverty or to boost the socio-economic status of every "Juan de la Cruz" translating economic progress by "bringing food to the table" of every Filipino family.

I. Introduction to the Philippine Government and Local Autonomy:

- A. Philippine National Government: Composition, Agencies and Functions
- B. The Policy Making Body and the Delivery of Basic Services: A Closer Look on the Executive and Legislative Functions
- C. National Government Agencies: DepEd, DPWH, DOH, DOF, DOTC, DSWD
- D. Local Autonomy and the Role of Local Government Units:

II. The Philippine National Budget: Revenue and Spending

- A. Introduction to national budget
- B. Preparation and ratification of the national budget
- C. Revenue generation activities of the national government
- D. Taxation: The Lifeblood of the Nation
- E. Debt and Borrowing: World Bank & IMF
- F. Implementation of the national budget
- G. The national government procurement process

III. Social Security System, Government Service Insurance System, Home Development Mutual Fund and PhilHealth, 4P's

- A. The role and benefits of SSS and GSIS as support system for the general welfare of its members.
- B. The role and the benefits of Home Mutual Development Fund and accessibility to housing.
- C. PhilHealth and its services
- D. 4P's as poverty alleviation tool
PALS and JICA

IV. The Local Government Autonomy and Devolved Functions of the National Government

- A. The Creation of LGU's and Semi-decentralization of the Philippine government.
- B. Composition and Manner of Creation: Republic Act 7160
Supervision of the Local Government Units by the national government in terms of fund sourcing and allocation, procurement and spending.

V. Local Fiscal Autonomy and Budgeting Process.

- A. Revenue generating power of the local government units
- B. Local Government Borrowing: MuniBonds
- C. The Internal Revenue Allotment Sharing the Wealth of the Central Government: Concept and Implementation
- D. Local Government Budgeting Process: preparation to Approval
- E. Local Government Procurement System
- F. The 20% Development Fund

A. BOOKS:

Textbook:

Prest, A.R. , Public Finance in Under-Developed Countries, c1962

Aralar, Reynaldo B. Jr., Local Government Code of 1991 Annotations and Jurisprudence, 2009 Edition

References:

Danuog, Roman R. and CampanillaMarlo B. Politics, Governance and Government with Philippine Constitution, 2nd Edition

B. RESEARCHES:

Manasan, Rosario Working Paper entitled “INTERGOVERNMENTAL FISCAL RELATIONS, FISCAL FEDERALISM AND ECONOMIC DEVELOPMENT IN THE PHILIPPINES” May 1992

Brillantes Jr. , Alex B. and Moscare, Donna White Paper entitled “DECENTRALIZATION AND FEDERALISM IN THE PHILIPPINES “ Lessons from Global Community1

Manasan, Rosario Research Paper entitled “LOCAL PUBLIC FINANCE IN THE PHILIPPINES: BALANCING AUTONOMY AND ACCOUNTABILITY “ January 2004

C. WEBSITES:

Philippine Government Agencies <http://www.ilink.ph/philippine-government-agencies/index.php>

Philippine Government Websites
http://en.wikipilipinas.org/index.php/Philippine_Government_Websites

Philippine Local Gov't. Code <http://ppp.gov.ph/wp-content/uploads/2010/11/The-Local-Government-of-the-Philippines.pdf>

Course Requirement

As a students in this course, you must comply with the following requirements:

1. Attendance and Class Participation

You are expected to attend all classes. Attendance in the lectures is very important because the lectures present new information and provide background for the assignments. You are responsible for all of the material presented in lectures.

The USC Student Manual (2006 Edition) specifies that “a student who incurs absences of more than 20% of the prescribed number of class hours or laboratory periods during the term should be given NC or 5.0.” A 3-unit course has 48 class hours. Students with three absences are required to get a readmission permit from the college dean.

Class participation is evidenced by individual or group outputs from in-class exercises. These outputs shall be collected at the end of a class meeting. In-class exercises could include Short quizzes, seatworks, and group discussions.

2. Out-of-Class Learning Tasks and Assignments

To ensure learning engagement and constant timely practice, you are required to do out-of-class tasks in the form of small projects and recommended problems relevant to a particular unit. To this end, you are required to have a notebook intended only for exercises. From time to time, your exercise notebooks will be checked in order to assess the timeliness of your learning efforts.

3. Tests and Examinations

A minimum of four (4) exams are given during the semester and are scheduled following the schedules set by the university. The midterm exam and the final exam are three-hour examinations and require students to present valid examination permits for participation in the examination

Evaluation/Grading System

This course will follow the standard grading system of the university as follows:

For the Midterm Grade:

Tests/Quizzes	1/3
Other Assignments/requirements	1/3
Midterm Exam	1/3

For the Final Grade:

Midterm Grade	1/3
Class Standing after Midterm	1/3
Final Exam	1/3

GPA SCORING

For purposes of transmutation, the Business Administration Department standard equivalents will be used as follows:

100-95	1.0	74-73	2.1
94-93	1.1	72-71	2.2
92-91	1.2	70-69	2.3
90-89	1.3	68-67	2.4
88-87	1.4	66-65	2.5
86-85	1.5	64-62	2.6
84-83	1.6	61-59	2.7
82-81	1.7	58-56	2.8
80-79	1.8	55-53	2.9
78-77	1.9	52-50	3.0
76-75	2.0	49 & below	5.0

- Below 3.0 is equivalent to a failing grade of 5.0

Courses Policies

Tardiness

Attendance will be checked 5 minutes after the scheduled start of the class. If you are not around during the roll call, you are automatically marked late. Although occasional tardiness may be tolerated, habitual tardiness is not. Students who are habitually late may be required to do extra learning tasks.

Special Assignments

Students are encouraged to work together on assignments and when studying. However, the product that you shall turn in must be your own work, not a direct copy of someone else's work. Cases of copying shall be dealt with following the university's procedures for disciplinary actions. Note that the university considers dishonesty or any fraudulent act as a major offense. Thus, make sure that you do your own work and that you protect them from plagiarism by others. Special assignments that are submitted late may not be accepted.

Missed Tests and Exams

If you miss to take a scheduled examination, you can make a formal written request to take a special examination if missing the examination was due to a serious medical condition or due to an emergency. "EMERGENCY shall be understood as an unforeseen combination of circumstances which calls for an immediate response to an urgent need for assistance or relief." Pertinent supporting documents must be attached to your letter of request. The schedule of the special examination shall be set by the teacher.

Classroom Behavior

In class, students are expected to behave in a manner that would not unnecessarily disrupt classroom activities. The instructor reserves the right to expel misbehaving students from the classroom. For one, use of cell phones during class hours is strictly prohibited; cell phones used in class will be confiscated and surrendered to the Student Affairs Office. (Students *are assumed to have read Section 2.5.4 to 2.5.12 of the USC Student Manual, 2006 edition.*)

Classroom Policies

1. Attendance is a MUST. Students may incur only ten (10) absences for MWF schedules or seven (7) absences for TTH schedules. Otherwise, they will automatically be dropped from class and receive a grade of either NC (No Credit) or a failing grade of 5.0 whichever is applicable.
2. Students who incur three (3) absences will be asked by the instructor to see the Department Chair to secure permission to be re-admitted to class. A re-admission slip should be properly accomplished for this.
3. Tardiness is discouraged. It is a source of irritation and class disruption when students arrive late. Students who arrive 15 minutes after the start of class are considered tardy. Please note that three (3) tardiness is equivalent to one (1) absence.
4. A permanent seat plan will be made at the start of the semester. Students are advised to keep to their assigned seating arrangement; otherwise, they will be marked absent for that day.
5. Classes should always start and end with a short prayer. The instructor can opt to lead the prayer or assign students to do this alternately.
6. Students should assist in maintaining the orderliness and cleanliness of the classrooms. Graffiti writing is strictly prohibited. Any student found violating this rule will be punished with the appropriate sanction. Before leaving the classroom, the instructor with the help of the students, should ensure that no litter/garbage is left behind and that chairs are in their proper order. Should the class be the last schedule for the day, the instructor should arrange that the lights and air conditioning units are switched off.
7. Going out of the classroom at any time is strictly discouraged. Students should make it a habit to go to the restroom during their vacant period or before the start of their classes. If they must visit the restroom, permission should be sought from the instructor.
8. Use of mobile phones inside the classroom is strictly prohibited. They should be switched off or placed in silent mode before entering classes. The instructor has the right to confiscate mobile phones that ring and/or are used during class hours. The confiscated unit can only be claimed from the Dean's Office at the end of the semester.
9. The teacher reserves the right to ask the student to leave the room if his behavior is disruptive in class.
10. It is the responsibility of the students to properly schedule their classes so that meals and snacks will be taken at the proper time.

Students are encouraged to see the instructor during consultation hours for any concerns, questions and assistance with regards to the course.