

Dean's Certificate in State and Local Finance

March 2023

Background

State and local governments in the United States are often the primary providers of public goods and services to the citizenry. This provision is funded through myriad government revenues often with the aid of financing from the capital markets. The increased demand for government services combined with the continued reluctance of the public to substantially provide greater resources have challenged these governments' finances. As a result, many state and local governments have turned to novel fiscal policies, emerging financial instruments and/or alternatives to public provision of their traditional activities. The changing nature in the way governments finance and provide their goods and services necessitates better financial acumen among both government finance professionals and private and non-profit sector specialists that interact, assist and participate in government fiscal and financing activities.

Learning Objectives

The Certificate in State and Local Finance is open to any degree-seeking graduate student at UT-Austin interested in government finance. It will be especially attractive to LBJ MPAff students as well as dual degree MPAff students enrolled in UT's business, community and regional planning, law and engineering schools. By completing this certificate program, **all** students will be able to:

- Understand core public finance issues related to the way governments spend, raise and leverage taxpayer resources
- Interpret and evaluate basic financial documents to begin assessing the financial condition of state and local governments
- Evaluate the ways state and local governments access the capital markets to meet their infrastructure and operating budget demands
- Create a specific project finance plan to address a government's capital or operating needs
- Analyze how urban economies work and the impact of various policy interventions at the local level
- Assess rationales for public sector policies and actions to promote local economic development

Depending on the choice of course electives, students will also be able to:

- Analyze various financial instruments and strategies that aim for social impact
- Evaluate specific revenue policies along the range of taxes, user charges, user fees and government monopolies and how these revenue options measure against various public policy standards
- Analyze and evaluate a variety of "state of the art" economic development programs being implemented by state and local governments and NGOs across the U.S.
- Utilize demographic, economic and environmental data to analyze the strengths and weaknesses of state and local development processes and develop strategic sustainable economic development plans
- Analyze and construct government financial statements
- Assess the activities of various financial intermediaries related to securities trading, banking, securitizations, asset-backed securities and the various laws regulating their duties

Career Possibilities

The state and local finance profession has historically suffered a supply/demand problem. That is, there has consistently been a shortage of people with the requisite budgeting/finance/accounting skills to satisfy demand from public, private and non-profit employers. This supply/demand problem results in students who possess these skills to be highly marketable professionals. The jobs that require the skills acquired in this certificate

program span all three sectors (public, private and non-profit) and all three government levels (federal, state and local). Some typical careers by sector are as following:

<i>Public</i>	<i>Non-Profit</i>	<i>Private</i>
<ul style="list-style-type: none"> • Budget/financial analyst • Urban planner • Capital finance director • Budget director • Comptroller • Treasurer • Chief Financial Officer • City Manager • City Auditor 	<ul style="list-style-type: none"> • Financial analyst • Comptroller • Treasurer • Chief Financial Officer 	<ul style="list-style-type: none"> • Credit rating agency analyst • Fixed income portfolio analyst • Investment banking analyst/associate • Municipal advisor • Economic development analyst/associate • Municipal bond lawyer

Course Requirements

The Certificate in State and Local Finance requires successful completion of five three-credit courses. One of these courses, the foundational course, is required of all MPAff, dual degree MPAff and CRP masters students as part of their degree’s core curriculum. The objective of this course is to set a baseline knowledge of the broad field of state and local finance. Another course, PA 388L Financing the State and Local Government Sector, is required of all certificate-seeking students. This course offers a comprehensive exploration of the various strategies governments employ to finance their activities. A third course must be selected within a category of economic development courses. The principle in requiring this type of course is the central role economic development plays in the finance activities of state and local governments. The final two courses are electives based on student interest selected among a menu of finance-related courses. While students have flexibility in their choice of electives, the course topics fall into four general categories most relevant for state and local finance: 1) government accounting, 2) public finance and budgeting, 3) capital markets and fixed income securities, and 4) economic development. Students may petition the certificate coordination committee to enroll in a finance-related course not included on the electives list including a policy research project, professional report or conference course. The list below details the course requirements.

1. Foundational course (one required for all students):
 - a. PA 391 Public Financial Management (core course for all MPAff and dual-degree MPAff students)
 - b. CRP 380F-3 Public Economics and Finance (core course for all CRP students)
2. State and local financing course (required for all students):
 - a. PA 391F State and Local Finance
3. Economic development course (one required for all students):
 - a. PA 393 Urban Economics and Policy
 - b. PA 388K Applied Strategies and Policies for Economic Development
 - c. CRP 385C-2 Urban Economic Development Policy
 - d. CRP 385C-3 Sustainable Urban Economic Development Planning
 - e. ECON 380N Urban Economics
4. Elective courses (students choose two):
 - a. PA 381W Federal Budget and Government Finance
 - b. PA 391F Finance for Social Innovation
 - c. PA 391F: Economic Development Finance
 - d. PA 391F: Public Finance and Applications of Tax Policy
 - e. PA 388K Co-Creation, Advocacy and Finance



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- f. PA Government Revenue Administration and Policy¹
- g. PA 398R Professional Report (need to petition certificate coordinator)
- h. PA 680PA Policy Research Project: Texas School Finance: Equity, Efficiency and Policy Implications (Academic Year 2023-2024 PRP)
- i. PA 680PA Policy Research Project (need to petition certificate coordinator)
- j. PA 389 Conference Course in Policy Analysis (need to petition certificate coordinator)
- k. PA 388K Health Care Policy and Finance
- l. PA 388K Economics and Finance (cross-list with the Education School)
- m. ECON 384H Seminar in Public Finance
- n. BA 284T Financial Accounting²
- o. ACC 380K.26 Government and Not-for-Profit Accounting (currently very limited seating and prerequisite is BA 284T or approval from instructor)
- p. ACC 380K.7 Financial Statement Analysis
- q. LAW 28215 Capital Markets and Financial Intermediation
- r. FIN 397.2 Portfolio Management and Security Analysis
- s. FIN 397.5 Fixed Income Analysis
- t. CRP 386 Financing Real Estate Projects: Nonprofit and For-Profit
- u. SWN393T29 Financial Management in Human Services
- v. FIN 397 Investing in Philanthropy

¹ Proposed course currently under development by Martin Luby and offered as a conference course

² This course is a requirement for dual degree MPAff-MBA students. As such, this is only an elective choice for non-dual degree MPAff-MBA students. Dual degree MPAff-MBA students must choose a different elective.

