



## UNIVERSITI TEKNOLOGI MARA

### ADM652: PUBLIC FINANCE

<b>Course Name (English)</b>	PUBLIC FINANCE <b>APPROVED</b>
<b>Course Code</b>	ADM652
<b>MQF Credit</b>	3
<b>Course Description</b>	The course gives an indepth understanding of the financial activities of the government. The various budget models used will be discussed here.It also discusses taxes and public debt and effects of the budget on economy. Special emphasis will be given to the accounting procedures used in the government sector and on accountability
<b>Transferable Skills</b>	1) Demonstrate ability to identify and articulate self skills, knowledge and understanding confidently and in a variety of context. 2) Demonstrate ability to communicate clearly and confidently, and listen critically. 3) Demonstrate practical and contemporary knowledge of relevant professional, ethical and legal frameworks. 4) Demonstrate ability to investigate problems and provide effective solutions. 5) Demonstrate ability to analyse issues/problems from multiple angles and make suggestions.
<b>Teaching Methodologies</b>	Lectures, Field Trip, Case Study, Reading Into Writing Task
<b>CLO</b>	CLO1 Describe the major components of public finance and economic basis of government activities CLO2 Explain the key elements of Malaysian budgeting system, taxes administration and their effects on economy CLO3 Illustrate various public finance policies and procedures CLO4 Attribute and analyze the management, control and accountability issues in public finance
<b>Pre-Requisite Courses</b>	No course recommendations
<b>Topics</b>	
<b>1. Proper Scope of government activity</b> 1.1) Defining the proper scope of government activity 1.2) Controversial border areas between private and public spending 1.3) Balance between Private and Public Spending 1.4) Ballot Box Vs the market place	
<b>2. Efficiency in Government Expenditure.</b> 2.1) Definition of budget 2.2) various Budgetary Models used in Countries e.g 2.3) a) Incremental budget 2.4) b) Capital Budget 2.5) c) Zero based budget 2.6) Cost Benefit analysis with regard to budgetary decision. 2.7) Pricing of Public Services. 2.8) Politization of the Budget	
<b>3. Taxation Principles and Issues of Fairness</b> 3.1) Tax bases and tax rates 3.2) Practical Criteria for tax systems. 3.3) Federal Personal Income Tax. 3.4) Issues of fairness in Personal Income Tax.	

<b>4. Economics of Public Debt.</b> 4.1) Growth of Debt 4.2) Financing of Debt 4.3) Burden of debt 4.4) Internal Vs External Debt 4.5) Effects of debt on Economy
<b>5. Accounting Procedures</b> 5.1) Comparative analysis of public and private sector accounting 5.2) Receipts, Payments and Custody of Public Money 5.3) Book of Accounts interalia Vote Book, General Ledger Stores, Inventory Records, Special Accounts. 5.4) Treasury Instructions relating to the maintenance and rendition of accounts.
<b>6. Supply Management</b> 6.1) Purchase, Custody, Use and Disposal of Stores 6.2) Tenders and contracts for works, supply and services 6.3) consumable and non-expendable Stores. 6.4) Issue and Use of Stores. 6.5) disposal of condemned and surplus stores 6.6) Loss and write-off
<b>7. Management and Control of Public Funds</b> 7.1) The various accounts in the Consolidated Funds 7.2) Trust Funds, Contingency Funds & State Reserve Funds 7.3) Management and control of funds. 7.4) Custody and investment of money, bank accounts. 7.5) Trust funds, contingency funds - purposes for which advances are made. 7.6) State Reserve Funds - Its purpose and use.
<b>8. Government-owned Companies and Subsidiaries - Issues in Accountability</b> 8.1) Emergence of the Public Enterprise Sector 8.2) Financing of Public Enterprises 8.3) Accountability and Control of Public Enterprises. 8.4) Problems relating to Off-Budget Agencies (O.B.A) 8.5) Evaluation and performance of public enterprises

Assessment Breakdown	%
Continuous Assessment	40.00%
Final Assessment	60.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Assignment	measure students understanding.	15%	CLO1
	Case Study	measure students understanding on overall activities of public finance.	15%	CLO1
	Written Report	To enhance students understanding on issues on public finance	10%	CLO1 , CLO2 , CLO3 , CLO4

Reading List	Recommended Text	<ul style="list-style-type: none"> <li>Financial Procedure Act, 1957, <i>Financial Procedure Act</i></li> <li>, 1987 (amendment 1978) 1978, <i>Audit Act</i></li> </ul>
	Reference Book Resources	<ul style="list-style-type: none"> <li>Eckstein, O. 1973, <i>Public Finance</i>, 4th ed Ed., Prentice Hall,</li> <li>Shafuruddin, B.H., 1987, <i>The Federal Factor in the Government and Politics of Peninsular Malaysia</i>, Oxford University Press,</li> <li>Musgrave R., and Musgrave p. 1975, <i>Public Finance in Theory and Practice</i>, Mc Graw -Hill New York</li> <li>Due., J. 1977, <i>Government Finance</i>, 6th ed Ed., Homewood, Ill: Richard D. Irwin, Inc.</li> <li>Burkhead J. and Miner J., 1971, <i>Public Expenditure</i>, Aldine Publishing Co. Chicago</li> <li>Constitution of Malaysia, <i>Constitution of Malaysia</i></li> </ul>
<b>Article/Paper List</b>	This Course does not have any article/paper resources	
<b>Other References</b>	This Course does not have any other resources	