

## FINC 350: Business Finance

<b>Location:</b>	Evening
<b>Address:</b>	1001 Rogers Street Columbia, MO 65216
<b>Section:</b>	19FALL1/FINC/350/EVA
<b>Semester Credit Hours:</b>	3
<b>Class Day(s) and Time(s):</b>	Thursday 5:30 PM - 9:30 PM from August 26, 2019 to October 19, 2019

### Syllabus Contents

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### Course Information

#### Catalog Description

A study of the finance function in corporate decision-making. Topics include financial statement analysis, risk and return, valuation, cost of capital, working capital management, time value of money and capital budgeting.

**Prerequisites:** ACCT 281; MATH 150 or MATH 170.

### Textbooks

As part of Truition<sup>SM</sup>, students will receive their course materials automatically as described below.

 Block/Hirt/Danielsen. (2016). *Foundations of Financial Management (Custom) with access to Connect* (16th). McGraw-Hill. eText

#### Bookstore Information

Visit <https://www.ccis.edu/bookstore.aspx> for details.

#### eText Information

If a course uses an eText, (see textbook information above) the book will be available directly in Desire2Learn (D2L) seven

days before the session begins, if registered for courses prior to that date. Upon first login to VitalSource, students should use their CougarMail email address; alternate email addresses cannot be used. More information about how to use the VitalSource platform, including offline access to eTexts, can be found in D2L.

#### Physical Course Materials Information

Students enrolled in courses that require physical materials will receive these materials automatically at the shipping address on file with Columbia College. Delivery date of physical materials is dependent on registration date and shipping location. Please refer to confirmation emails sent from Columbia College for more details on shipping status.

**Returns:** Students who drop a class are responsible for returning any physical course materials that were shipped. To initiate a return, visit [Ingram Returns](#) to generate a pre-paid return label. Materials from dropped courses must be returned within 30-days of receipt. **Failure to return physical items from a dropped course will result in a charge to the student account for all unreturned items.**

**Note:** Students who opt-out of having their books provided as part of [Tuition<sup>SM</sup>](#) are responsible for purchasing their own course materials.

#### Technology Requirements

##### **THIS IS A TECHNOLOGY-ENRICHED COURSE WHICH COMBINES IN-SEAT INSTRUCTION WITH ONLINE LEARNING.**

Participation in this course will require the basic technology for all classes at Columbia College:

- A computer with reliable internet access
- A web browser
- Acrobat Reader
- Microsoft Office or another word processor such as Open Office


For more information, see [technical requirements](#).

#### Course Learning Outcomes

1. Analyze financial statements and interpret financial ratios to assess company performance.
2. Explain how a firm's management of working capital effects its operating, financing, and investment decisions.
3. Apply discounted cash flow techniques and the risk-return tradeoff to value financial assets.
4. Explain the CAPM, rates of return, capital structure, and the cost of capital.
5. Demonstrate an understanding of the capital budgeting process.

#### Grading

Grading Scale		
Grade	Points	Percent
A	900 - 1000	90-100%
B	800 - 899	80-89%
C	700 - 799	70-79%
D	600 - 699	60-69%
F	0 - 599	0-59%
Grade Weights		
Assignment Category	Points	Percent
Online Learning Activity	150	15%
Homework Assignments	350	35%
Project Paper	100	10%
Mid-term exam	200	20%
Final exam	200	20%
<b>Total</b>	<b>1000</b>	<b>100%</b>

 Schedule of Due Dates

**Week 1**

Assignment	Points	Due
Outside reading assignment - Family Business	--	Due at the next class period

**Week 2**

Assignment	Points	Due
CONNECT Comprehensive Assignment 1	30	due Sunday by 11:59 PM
First homework assignment due	70	In the drop box Friday, September 6 by 11:59 p.m.
Outside reading assignment - Zippos	--	Due next class period

**Week 3**

Assignment	Points	Due
CONNECT Comprehensive Assignment 2	40	Due Sunday by 11:59 PM
Second homework assignment	70	In the drop box Friday, September 13 by 11:59 p.m.
Outside reading assignment - Acquisition	--	Due next class period

**Week 4**

Assignment	Points	Due
Third homework assignment due	70	In the drop box Friday, September 20 by 11:59 p.m.
Mid-term examination	200	In class
Outside reading assignment - Custom Coffee	--	Due next class period

**Week 5**

Assignment	Points	Due
Fourth homework assignment due	70	In the drop box Friday, September 27 by 11:59 p.m.

**Week 6**

Assignment	Points	Due
CONNECT Comprehensive Assignment 3	40	Due Sunday by 11:59 PM
Fifth homework assignment due	70	In the drop box, Friday, October 4 by 11:59 p.m.
Project paper	100	In dropbox Sunday, October 6 by 11:59 p.m.
Outside reading assignment - KFC and the Colonel	--	Due next class period

**Week 7**

Assignment	Points	Due
CONNECT Comprehensive Assignment 4	40	Due Sunday by 11:59 PM

**Week 8**

Assignment	Points	Due
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Assignment

Points

Due

**Total Points: 1000**

## Assignment Overview

### Online Component Expectations

In this course, there are 4 weekly comprehensive assignments completed in CONNECT. Their total worth is 15% of your final course grade. These assignments allow you to demonstrate understanding of how different financial concepts learned can be applied to specific problems. This includes analyzing a company's financial statements, examining how the capital budgeting process works, determining a company's capital structure, and discounting cash flows. You will have up to 2 attempts for each assignment. CONNECT Comprehensive Assignments are due by 11:59 pm CT Sunday during Weeks 2, 3, 6, and 7.

### Assignments

There are reading assignments every week. There are five homework assignments, each assignment is worth 70 points. There will be a project assigned worth 100 points. We will do some in class assignments relating to the reading assignments. There will be no credit assigned since we will work these together.

There will be a project paper worth 100 points. The project will be assigned during week 2 and due by midnight on Sunday, October 6.

I will assign five outside reading assignments. Each assignment will be distributed at the end of the class period for discussion during the next class period. These assignments will not be graded but student participation will be noted.

### Examinations

There will be a mid-term and final exam. Each exam will have 40 multiple choice questions worth 5 points each for a total of 200 points per exam. The mid-term exam will be in week 4; the final exam in week 8.

## Course Outline

Click on each week to view details about the activities scheduled for that week.

### Week 1: Financial Management, Accounting and Analysis

#### Outside reading assignment - Family Business

The Family Business is a water park that needs updating at considerable expense. What options does the family have? We will discuss.

#### Read chapters 1-3 before class

We will learn about the different types of businesses, the role of the financial markets, the various financial statements - what they provide, and how to calculate and explain ratios.

### Week 2: Financial forecasting, operating and financial leverage and working capital management

#### CONNECT Comprehensive Assignment 1

First homework assignment due

Homework must be typed and include all supporting material for your answers. Students will receive no credit if they only supply the answers.

### **Read chapters 4-6 before class**

We will discuss the benefits of financial forecasting in planning. We will also learn about financial and operating leverage, how to compute both and what they mean. We will learn how managing working capital, and what it is, impacts the firm's financing.

### **Outside reading assignment - Zippos**

Zippos is a retail store where management needs to decide whether to keep local service outlets or centralize this service.

## **Week 3: Current asset management, sources of short-term financing and the time value of money**

### **CONNECT Comprehensive Assignment 2**

#### **Second homework assignment**

Homework must be typed and include all supporting material for your answers. Students will receive no credit if they only supply the answers.

#### **Outside reading assignment - Acquisition**

Large holding company with several retail stores to decide if it wants to continue having a trucking firm deliver its products or buy its own trucking firm.

## **Week 4: Valuation and rates of return, cost of capital**

#### **Third homework assignment due**

Homework must be typed and include all supporting material for your answers. Students will receive no credit if they only supply the answers.

#### **Read chapters 10 -11 before class**

We will discuss how to value bonds, common and preferred stock, what the valuations represent and how these values are used to calculate the cost of capital. We will discuss what the cost of capital represents to a firm and how the firm uses it to fund its operations.

#### **Mid-term examination**

The mid-term consists of 40 multiple choice questions - each question worth 5 points.

#### **Outside reading assignment - Custom Coffee**

Bonnie Brewer and Stacy Kim owned a small coffee shop. Business was good but they had reached a point financially where they needed to decide if they were in this for the long haul. They had strategy to determine- their mission, their SWOT analysis and a tactical plan if they were to continue the business.

## **Week 5: Risk and capital budgeting and capital markets**

#### **Fourth homework assignment due**

Homework must be typed and include all supporting material for your answers. Students will receive no credit if they only supply the answers.

#### **Read chapters 12-14 before class**

We will learn how to rank investments, the process of selecting projects by using Net Present Value and Internal Rates of Return. We will learn how risk assumptions affect our selection of investments, the affect on the firm's portfolio and how simulation models are used to evaluate investment opportunities.

We will discuss how the capital markets operate, their importance as well as the regulation of these markets.

## **Week 6:**

### **CONNECT Comprehensive Assignment 3**

### **Read chapters 15-17 before class**

We will discuss how investment banking works, its role in providing corporate funding, and the various funding methods. We will discuss how debt and lease financing impacts the firm's profitability, operations and growth. We will also learn and discuss the uses and benefits of common and preferred stock financing and their impact on the firm's profitability and growth and how these funding avenues impact the firm's cost of capital.

### **Fifth homework assignment due**

Homework must be typed and include all supporting material for your answers. Students will receive no credit if they only supply the answers.

### **Project paper**

All project requirements must be met. All supporting documentation must be included as well. The project will be graded on quality, methodology, summary, grammar, spelling, conclusions and recommendations. Separate title and reference pages are required.

### **Outside reading assignment - KFC and the Colonel**

Colonel Sanders had a very successful business. However, he decided to sell it to outside investors. This is a case study where much information is provided. The bottom line however, based upon the relevant information, did Colonel Sanders act prudently in selling his business?

## **Week 7: Dividend and retained earnings, convertible, warrants and derivatives and mergers**

### **CONNECT Comprehensive Assignment 4**

### **Read chapters 18-20 before class**

We will learn the importance of dividends and retained earnings, and how they impact investor attitudes and a firm's growth potential. We will discuss the use of convertible bonds, warrants and other derivatives as methods of financing and as portfolio and cash opportunities for investors.

We will discuss the motives for business combinations and the methods of financing these combinations.

## **Week 8: International Financial Management**

### **Final examination**

The final exam has 40 multiple choice questions.

### **Read chapter 21 before class**

We will discuss the need for foreign investment, the various types of business structures, the importance of foreign exchange and how it affects a firm's profit and the methods of financing international business operations.

## **+ Additional Resources**

Online databases are available at [library.ccis.edu](http://library.ccis.edu). You may access them using your CougarTrack login and password when prompted.

### **Technical Support**

If you have problems accessing the course or posting your assignments, contact your instructor, the Columbia College Technology Solutions Center, or the D2L Helpdesk for assistance. If you have technical problems with the VitalSource eText reader, please contact VitalSource. Contact information is also available within the online course environment.

- Columbia College Technology Solutions Center: [CCHelpDesk@ccis.edu](mailto:CCHelpDesk@ccis.edu), 800-231-2391 ex. 4357
- D2L Helpdesk: [helpdesk@d2l.com](mailto:helpdesk@d2l.com), 877-325-7778
- VitalSource: [support@vitalsource.com](mailto:support@vitalsource.com), 1-855-200-4146

### **Online Tutoring**

Smarthinking is a free online tutoring service available to all Columbia College students. Smarthinking provides real-time online tutoring and homework help for Math, English, and Writing. Smarthinking also provides access to live tutorials in writing and math, as well as a full range of study resources, including writing manuals, sample problems, and study skills manuals. You can access the service from wherever you have a connection to the Internet. I encourage you to take advantage of this free service provided by the college.

Access Smarthinking through CougarTrack at [Students -> Academics -> Resources](#).

## Columbia College Policies and Procedures

The policies set forth in the [Policy Library](#) are the current official versions of College policies and supersede and replace any other existing or conflicting policies covering the same subject matter. For more information on policies applicable to students, see [Student Policies](#). For more information on policies applicable to the entire Columbia College community, see [College-Wide Policies](#).

Students are expected to read and abide by the College policies. Policies of particular interest to students include, but not limited to the following:

- Graduate Grading Policy
- Undergraduate Grading Policy
- Registration Policy and Procedures
- Withdrawal Policy
- Alcohol and Other Drugs Policy
- Family Educational Rights and Privacy Act (FERPA)

### Additional Policies:

#### Academic Integrity and Plagiarism

Academic integrity is a cumulative process that begins with the first college learning opportunity. Students are responsible for knowing and abiding by the [Academic Integrity Policy and Procedures](#) and may not use ignorance of either as an excuse for academic misconduct. Additionally, all required papers may be submitted for textual similarity review to Turnitin.com for the detection of plagiarism. All submitted papers may be included in the Turnitin.com reference database for the purpose of detecting plagiarism. This service is subject to the Terms and Conditions of Use posted on the Turnitin.com site.

#### Disability Resources

If you have a disability that requires an accommodation, please speak with the instructor and consult the [Student Accessibility Resources](#) office. Student Accessibility Resources staff will determine appropriate accommodations and will work with your instructor to make sure these are available to you. To find additional information, see our [ADA and Section 504 Policy for Students](#).

#### Notice of Non-Discrimination and Equal Opportunity:

The College has a process through which students, faculty, staff and community members who have experienced or witnessed incidents of discrimination, harassment, or retaliation on the basis of protected status, can report their experiences to a College official. For more information, see our [Non-Discrimination and Equal Opportunity Policy and Complaint Resolution Procedure](#).

#### Title IX and Sexual Misconduct

The College is committed to addressing the issues of discrimination, harassment and sexual misconduct in the educational and workplace landscape and will continue to modify policies, procedures and prevention efforts as needed. For more information, see the College's [Title IX and Sexual Misconduct Policy](#).

### Course Policies and Procedures:

#### Attendance Policy

Columbia College students are expected to attend all classes and laboratory periods for which they are enrolled.

For classes with an online component, attendance for a week includes submitting any assigned online activity. Assigned activities are scheduled prior to the course commencing. Assigned activity due dates are subject to change based on actual course progression and will be adjusted as necessary. Attendance for the week is based upon the date work is submitted. A class week is defined as the period of time between Monday and Sunday (except for week 8, when the work and the course will end at 11:59 PM Central Time on Saturday.) The course and system deadlines are based on the Central Time Zone.

Students are directly responsible to instructors for class attendance and work missed during an absence for any cause. If absences jeopardize progress in a course, the College reserves the right to drop or withdraw students from classes. For

additional information, see the Administrative Withdrawal for Non-Attendance heading in the [Withdrawal Policy](#).

### CougarMail

All students are provided a CougarMail account when they enroll in classes at Columbia College. You are responsible for monitoring email from that account for important messages from the College and from your instructor.

Students should use email for private messages to the instructor and other students. The class discussions are for public messages so the class members can each see what others have to say about any given topic and respond.

### Late Assignment Policy

All classes rely on participation and a commitment to your instructor and your classmates to regularly engage in the reading, discussion and writing assignments. You must keep up with the schedule of reading and writing to successfully complete the class.

No late assignments will be accepted without the prior approval of the instructor.

Acceptance of a late assignment is at the discretion of the instructor.

Make-up examinations may be authorized for students who miss regularly-scheduled examinations due to circumstances beyond their control. Make-up examinations must be administered as soon as possible after the regularly scheduled examination period and must be administered in a controlled environment.

### Student Conduct

All Columbia College students, whether enrolled in a land-based or online course, are responsible for behaving in a manner consistent with Columbia College's [Student Conduct Code](#) and [Acceptable Computing Use Policy](#). Students violating these policies or any other College policy will be referred to the office of Student Affairs and/or the office of Academic Affairs for possible disciplinary action. The Student Code of Conduct, the [Student Behavioral Misconduct Policy and Procedures](#), and the Acceptable Computing Use Policy can be found in the Policy Library at [ccis.edu/policies](http://ccis.edu/policies). The adjunct faculty member maintains the right to manage a positive learning environment all students must adhere to the conventions of online etiquette when enrolled in a course with an online component.