



DOANE UNIVERSITY

Course Syllabus

Course Information

BUS 226
Finance
3 Credit Hours
WIN 1 2020, October 12 to December 12, 2020.

Instructor Information

Steve Horan, MBA, CPA, CGMA
Adjunct Professor, Doane University

Contact Information

Office: Available by appointment
Email Address: Steven.horan@doane.edu
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Communicating With the Instructor

This course uses a “three before me” policy in regards to student to faculty communications. When questions arise during the course of this class, please remember to check these three sources for an answer before asking me to reply to your individual questions:

1. Course syllabus
2. Announcements in Blackboard
3. The Q&A discussion board

This policy will help you in potentially identifying answers before I can get back to you and it also helps your instructor from answering similar questions or concerns multiple times.

If you cannot find an answer to your question, please first post your question to the “Question Center” discussion board. Here your question can be answered to the benefit of all students by either your fellow students who know the answer to your question or the instructor. You are encouraged to answer questions from other students in the discussion forum when you know the answer to a question in order to help provide timely assistance.

If you have questions of a personal nature such as relating a personal emergency, questioning a grade on an assignment, or something else that needs to be communicated privately, you are welcome to contact me via email or phone. My preference is that you will try to email me first. Please allow 24 hours for me to respond to emails Monday-Friday and 48 hours on the weekend.



If you have a question about the technology being used in the course, please contact the Doane University Help Desk for assistance (contact information is listed below).

Course Catalog Description

A survey of financial concepts and analytical tools used by domestic and international businesses. This course includes financial mathematics, financial and operational planning and management, and long-term investment analysis, including cost of capital and capital budgeting. When appropriate, spreadsheet applications are integrated into this course. Upon successful completion of this course, students will be able to: 1) use analytical and creative thought processes to analyze financial decisions; 2) identify and understand the finance component of the business environment; 3) identify and understand the relationship between the finance function and other functions in business; 4) convey both simplistic and complex financial information using appropriate terminology and language, and presentation methodology; and 5) recognize ethical issues involved in various financial situations.

Course Prerequisites

Sophomore standing or above, [ACC 103](#) and [ECO 203](#). Strongly recommended: [ACC 104](#) and [BUS 215](#).

Course Textbook and Materials

Required

Brigham, E.F. & Houston, J.F (2016). Fundamentals of Financial Management, Concise Edition, 9th ed. Brigham, Houston, Cengage. ISBN-10: 1305635930 ISBN-13: 978-1305635937

Required Technology

Microsoft Excel Software, <https://products.office.com/en-us/student/office-in-education>

Learning Objectives

Course Objectives

At the completion of this course students will be able to:

1. Identify the financial environment of business and key financial concepts used in business decision-making.
2. Demonstrate the ability to apply financial mathematics in the use of reading, interpreting and summarizing financial information.
3. Analyze financial statements, including the statement of cash flows, and perform a ratio analysis.
4. Demonstrate how to value different types of stocks and bonds using time value of money principles and risk analysis.
5. Identify the costs of different capital components and combine the costs to calculate the firm's weighted average cost of capital to be used in budgeting decisions.



6. Identify the basics of the capital budgeting process as well as cash flow estimation and risk analysis.
7. Identify the importance of working capital management and be able to identify different policies.
8. Discuss the importance of financial planning and the forecasting process from forecasted sales to projected statements.

Module Objectives

TOPIC	MODULE OBJECTIVES	ASSESSMENTS	ACTIVITIES
<p>Week/Mod 1</p> <p>The financial environment of business and key financial concepts used in business decision making.</p>	<p>1.1 Define finance.</p> <p>1.2 Define the jobs in finance.</p> <p>1.3 Identify how finance fits into an organization.</p> <p>1.4 Identify how finance relates to economics and accounting.</p> <p>1.5 Identify the tools available to create value for investors.</p>	<p>Chapter 1 Quiz (MO 1.1, 1.2, 1.3) (2 hours)</p> <p>Chapter 2 Quiz (MO 1.4, 1.5) (2 hours)</p>	<p>Self introduction Discussion (1 hr)</p> <p>Chapter 1, Forms of Business Organizations and Stockholder Wealth Maximization Discussion (MO 1.1, 1.2, 1.3) (5 hours)</p> <p>Chapter 2, Financial Markets and Institutions Integrated Case Discussion (MO 1.4, 1.5) (5 hours)</p>
<p>Week/Mod 2</p> <p>Financial mathematics in reading, interpreting and using financial information.</p>	<p>2.1 Identify financial statements and reports.</p> <p>2.2 Analyze balance sheet details.</p> <p>2.3 Analyze income statement details.</p> <p>2.4 Analyze cash flow statement details.</p> <p>2.5 Analyze statement of stockholders' equity details.</p> <p>2.6 Identify how to calculate market value added and economic value added.</p> <p>2.7 Computing present value and future value calculations.</p>	<p>Chapter 3 Quiz (MO 2.1, 2.2, 2.3, 2.4, 2.5) (2 hours)</p> <p>Chapter 5 Quiz (MO 2.7) (2 hours)</p>	<p>Chapter 3, Types and Users of Financial Statements Discussion (MO 2.1, 2.2, 2.3, 2.4, 2.5) (4 hours)</p> <p>Chapter 3, Free Cash Flow, EVA and MVA Discussion (MO 2.6) (4 hours)</p> <p>Chapter 5 Spreadsheet Problem - Time Value of Money (MO 2.7) (4 hours)</p>



<p>Week/Mod 3</p> <p>Analysis of financial statements, including the cash flow statement and performing ratio analysis.</p>	<p>3.1 Complete a ratio analysis. 3.2 Complete a liquidity ratio analysis. 3.3 Complete an asset management ratio analysis. 3.4 Complete a debt management ratio analysis. 3.5 Complete a profitability ratio analysis. 3.6 Complete a market value ratio analysis. 3.7 Calculate the DuPont equation and calculating return on equity.</p>	<p>Chapter 4 Quiz (MO 3.1, 3.2, 3.3, 3.4, 3.5, 3.6) (2 hours)</p> <p>Test 1, Chapters 1, 2, 3, 4 and 5 (MO - all from Mods 1, 2 and 3) (5 hours)</p>	<p>Chapter 4, Financial Ratio Analysis, Who Conducts the Analysis Discussion (MO 3.1) (5 hours)</p> <p>Chapter 4 Spreadsheet Problem – Ratios and Financial Statement Analysis (MO 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7) (4 hours)</p>
<p>Week/Mod 4</p> <p>How to value stock and bonds using time value of money principles and risk analysis.</p>	<p>4.1 Identify the types of common stock. 4.2 Define stock prices versus intrinsic value. 4.3 Apply the discounted dividend model to value a stock. 4.4 Calculate the value of constant growth and nonconstant growth stocks. 4.5 Apply the enterprise based approach to stock valuation. 4.6 Define the risk-return trade-off. 4.7 Define stand-alone risk. 4.8 Identify the types of bonds. 4.9 Identify the key characteristics of bonds.</p>	<p>Chapter 7 Quiz (MO 4.8, 4.9) (2 hours)</p> <p>Chapter 8 Quiz (MO 4.6, 4.7) (2 hours)</p> <p>Chapter 9 Quiz (MO 4.1, 4.2, 4.3, 4.4, 4.5) (2 hours)</p>	<p>Chapter 8, Portfolio Risk and the CAPM Discussion (MO 4.6, 4.7) (3 hours)</p> <p>Chapter 7 Spreadsheet Problem – Bond Valuation (MO 4.8, 4.9) (4 hours)</p> <p>Chapter 9 Spreadsheet Problem – Stock Valuation (4 hours) (MO 4.1, 4.2, 4.3, 4.4, 4.5)</p>
<p>Week/Mod 5</p> <p>Cost of capital components and combining the costs to calculate the</p>	<p>5.1 Identify the weighted average cost of capital (WACC) 5.2 Calculate the cost of debt. 5.3 Calculate the cost of preferred stock. 5.4 Calculate the cost of retained earnings.</p>	<p>Chapter 10 Quiz (MO 5.1) (2 hours)</p> <p>Test 2, Chapters 7, 8, 9 and 10 (MO - all from Mods 4 and 5) (5 hours)</p>	<p>Chapter 10, Market Risk Premium and the Cost of Debt, How WACC is Used to Evaluate Projects Discussion (MO 5.6, 5.7) (4 hours)</p>



firm's weighted average cost of capital to be used in budgeting decision.	5.5 Calculate the cost of issuing new common stock. 5.6 Identify the factors that affect the calculation of the WACC. 5.7 Identify the risk factors for adjusting the WACC.		Chapter 10 Spreadsheet Problem – WACC (MO 5.2, 5.3, 5.4, 5.5) (4 hours)
Week/Mod 6 The basics of the capital budgeting process, cash flow estimation and risk analysis.	6.1 Identify capital budgeting. 6.2 Calculate the Net Present Value method (NPV). 6.3 Calculate the Internal Rate of Return (IRR). 6.4 Calculate the Modified Internal Rate of Return (MIRR). 6.5 Calculate payback period and discounted payback. 6.6 Identify how to use capital budgeting to make decisions.	Chapter 11 Integrated Case, Allied Components Short Answer (MO 6.2, 6.3, 6.4, 6.5) (6 hours) Chapter 11 Quiz (MO 6.1, 6.6) (2 hours)	Chapter 11, Mutually Exclusive Projects, Flaws of Payback Methods, Reinvestment Rate Assumptions Discussion (MO 6.5, 6.6) (4 hours) Chapter 11 Spreadsheet Problem – WACC (MO 6.2, 6.3, 6.4) (4 hours)
Week/Mod 7 Working capital management and identifying the policies used to manage working capital.	7.1 Identify working capital. 7.2 Identify current asset investment policies. 7.3 Identify current asset financing policies (aggressive, moderate or conservative). 7.4 Calculate the Cash Conversion Cycle (CCC). 7.5 Create a cash budget. 7.6 Identify short term financing options (accounts payable, bank loans, commercial paper and accruals).	Chapter 15 Integrated Case, Ski Equipment Short Answer (MO 7.2, 7.3, 7.6) (6 hours) Chapter 15 Quiz (MO 7.1, 7.2, 7.3) (2 hours)	Chapter 15, The Cash Conversion Cycle and the Four Factors of Credit Policy Discussion (MO 7.4, 7.6) (4 hours) Chapter 15 Spreadsheet Problem – Cash Budgeting (MO 7.4, 7.5) (4 hours)
Week/Mod 8 Financial planning and the	8.1 Identify the importance of strategic planning in forecasting. 8.2 Develop the sales	Chapter 16 Quiz (MO 8.1, 8.2) (2 hours)	Chapter 16, The AFN Equation and Factors That Affect External Financing Discussion (MO 8.3) (4 hours)



forecasting process from forecasted sales to projected financial statements.	forecast. 8.3 Calculate the Additional Funds Needed (AFN). 8.4 Create forecasted financial statements. 8.5 Apply ratio analysis to understand forecasted financial statements. 8.6 Apply sensitivity analysis to develop forecasted financial statements.	Test 3, Chapters 11, 15 and 16 (MO - all from Mods 6, 7 and 8) (5 hours)	Chapter 16 Spreadsheet Problem – Forecasting (MO 8.3, 8.4, 8.5, 8.6) (4 hours)
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Course Requirements

Online Course

This is an online course and there will not be any face-to-face class sessions. All assignments and course interactions will utilize internet technologies. You must have a reliable internet connection throughout the duration of the course.

This course uses Canvas for the facilitation of communication between faculty and students, submission of assignments, and posting of grades. The Canvas Course Site can be accessed at <https://doane.instructure.com>

Attendance in an online course means logging into the Canvas on a regular basis and participating in all of the activities that are posted in the course. In addition, check your Doane University email account regularly, as your instructor may send important information via email.

Attendance/Participation

Doane University expects active participation by a student in a course, whether the course is on-ground or online. A student is expected to be prompt and regularly attend on-ground classes in their entirety. Regular engagement is expected for online courses.

You should plan to work on this course everyday. This is a condensed, fast-paced, course. Expect to spend approximately 18 hours a week preparing for and actively participating in this 8-week course.

Class Preparation

Preparation for class means reading the assigned readings and reviewing all information required for that week.

Computer Requirements

For the successful use of Canvas please refer to Doane University's [minimum computer requirements](#). This also includes:

- Reliable computer and internet connection
- A web browser (Chrome or Mozilla Firefox)
- Adobe Acrobat Reader (free)



- Word processing software—Microsoft Word or Google Docs
- Webcam and mic

Campus Network or Canvas Outage

When access to Blackboard is not available for an extended period of time (greater than one entire evening - 6pm till 11pm) you can reasonably expect that the due date for assignments will be changed to the next day (assignment still due by midnight).

Drop and Add Dates

If you feel it is necessary to withdraw from the course, please contact your advisor for full details on the types of withdrawals that are available and their procedures.

Federal requirements state that students must complete 75% of the course work to be eligible to receive an incomplete for the course. If students fall more than two weeks behind, they cannot meet this requirement.

****Online Learning Academy Courses are not eligible for incomplete grades.**

Academic Integrity

Fundamental to our mission, our core values, and our reputation, Doane University adheres to high academic standards. Students of Doane University are expected to conduct themselves in a manner reflecting personal and professional integrity. Disciplinary actions may be taken against students whose academic behavior is not congruent with the expectations of the University. Students are responsible for adhering to the standards detailed in this policy. Not being familiar with these standards does not mean that the students will not be accountable for adherence to them. Additional details on the Academic Integrity policy for violating academic integrity are published in the undergraduate and graduate catalogs.

[http://catalog.doane.edu/content.php?catoid=18&navoid=1448#Academic Dishonesty](http://catalog.doane.edu/content.php?catoid=18&navoid=1448#Academic_Dishonesty)

Attendance/Participation

Preparation for class means reading the assigned readings & reviewing all information required for that week. *Attendance* in an online course means logging into the Blackboard and on a regular basis and *participating* in the all of activities that are posted in the course.

Studying and Preparation Time

The course requires you to spend time preparing and completing assignments. A three-credit course requires 144 hours of student work. Therefore expect to spend approximately 18 hours a week preparing for and actively participating in this 8-week course.

Late or Missed Assignments

ALL assignments must be finished and turned in to complete the course. Unless the instructor is notified BEFORE the assignment is due, it is automatically docked 20% each day it is late.

Federal requirements state that students must complete 75% of the course work to be eligible to receive an incomplete for the course. If students fall more than two weeks behind, they cannot meet this requirement.

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Course Grading

Submitting Assignments

All assignments, unless otherwise announced by the instructor, must be submitted via Canvas. Each assignment will have a designated place to submit the assignment. All material, assignments, and deadlines are subject to change with prior notice. It is your responsibility to stay in touch with your instructor and review the course site regularly to learn about changes to assignments or due dates.

Grading Scale

Assignment of letter grades is based on a percentage of points earned. The letter grade will correspond with the following percentages achieved. All course requirements must be completed before a grade is assigned.

A	100 – 90
B	89 – 80
C	79 – 70
D	69 – 60
F	59 and below

Late or Missed Assignments

All assignments must be completed and turned in to finish the course. Unless you discuss a late assignment with your instructor prior to the assignment due date, your assignment will lose 20% each day it is late.

Students are required to complete 75% of the course material in order to receive credit for the course. If students fall more than two weeks behind, they cannot meet this requirement and will receive a withdrawal (W) for the course if this occurs within the first four weeks of the course. If this happens after the fourth week students will receive an F for the course.

Feedback

Please allow 1-3 days for feedback on assignments. Please review instructor feedback for assignments and assessments, this will help you reflect on what you have learned while receiving suggestions for improvement.

Technical Support

If you are in need of technical assistance please access the [Self Service Portal](#). You may reach the help desk at 402-826-8411 or by email at helpdesk@doane.edu.



Accessibility Statement

In compliance with the Rehabilitation Act of 1973, Section 504, and the Americans with Disabilities Act of 1990, professional disability specialists and support staff at Doane University facilitate a comprehensive range of academic support services and accommodations for qualified students with disabilities. Doane University staff coordinate student transitions from high schools and community colleges, conduct in-service training for faculty and staff, enable the resolution of accessibility issues, conduct community outreach, and facilitate collaboration among Doane University staff on disability policies, procedures, and accommodations.

Disability Services

[Doane University's Disability Services Office](#) will provide guidance on accommodations and universal access. To request accommodations please complete the [Self-Identification Form](#) and visit the website for additional information.

Academic Support

Doane offers a range of academic support services for students.

For students taking courses online or for our Non-Residential students:

<https://www.doane.edu/graduate-and-adult/academic-support>

For students taking courses on our Crete campus:

<https://www.doane.edu/students/resources/academic-support>

Title IX Requirements: Mandatory Reporting

At Doane, all university employees, including faculty, are considered Mandatory Reporters. As a Mandatory Reporter, I am required to report incidents of sexual misconduct and relationship violence to the Title IX Coordinator and, thus, cannot guarantee confidentiality. This means that if you tell me about an incident of sexual harassment, sexual assault, domestic violence, dating violence, stalking and/or other forms of prohibited discrimination, I have to share the information with the University's Title IX Coordinator. My report does not mean that you are officially reporting the incident. This process is in place to ensure you have access to and are able to receive the support and resources you need. For additional information, including confidential resources, please visit the [Campus Advocacy, Prevention, and Education \(CAPE\) Project](#).

Instructional Technology Accessibility and Privacy Policies

If your course uses additional technology tools, information on the [technology's accessibility and privacy is available on our website](#).

Syllabus Disclaimer

The instructor and Doane University views the course syllabus as an educational contract between the instructor and students. Every effort will be made to avoid changing the course schedule but the possibility exists that unforeseen events will make syllabus changes necessary. The instructor reserves the right to make changes to the syllabus as deemed necessary. Students will be notified in a timely manner of any syllabus changes via email or



in the course site Announcements. Please remember to check your Doane University email and the course site Announcements often.

Doane Syllabus Addendum

Each student is responsible for being aware of the policies, resources, and expectations as specified in the Doane Syllabus Addendum located at:

<https://www.doane.edu/Syllabus>

