Dillard College of Business Administration

SYLLABUS: Financial Analysis  FINC 3633/ACCT 3633
Summer 2011
MTWT 4:40 pm–6:40 pm
DB 175

Instructor:  Dr. Qian Li, Assistant Professor in Finance
Office: DB 227
Phone: 940-397-4711
FAX: 940-397-4693
Office Hours: By appointment
E-mail: qian.li@mwsu.edu

Required Materials and Accessory


Calculator: Bring a working finance calculator with you to each class. I recommend the Texas Instruments BAI Plus, and in class I will use TI BAI Plus to demonstrate calculations. If you use a different type of calculator, it is your responsibility to know how to use the financial functions built in your calculator to get solutions.

WEBCT: We will make extensive use of WEBCT (http://distance.mwsu.edu/webct.asp). Make sure that you have access to this course on WEBCT. From WEBCT you will see this syllabus, lecture slides, important announcement and a message board where communicating with other students, etc. However, email contact with the instructor will NOT be through WEBCT. Instead, you should send your email to qian.li@mwsu.edu

If you have problem using WEBCT, please refer to the following website about your login information: http://distance.mwsu.edu/distance/webct_help.asp
For more help on using this system, please refer to: http://distance.mwsu.edu/FAQ.asp or contact MWSU Office of Distant Education (distance.ed@mwsu.edu)

Prerequisite
Junior standing or above or consent of the chair; Acct 2143, Acct 2243, Math 1203/1233
It is YOUR responsibility to make sure that you meet the prerequisite requirements. Failure to do that may result in withdrawal from the class, even at late point of this semester.
It’s also highly recommended that you pass FINC 3733 (Business Finance) before taking this course.
Course Overview

General Learning Goals
- Problem solving and decision making abilities through the critical analysis, evaluation, and interpretation of business information: Students will demonstrate problem solving and decision making ability as they synthesize information from different angles to conduct financial analysis. Part of the scores on group projects and exams are based on the appropriateness of student’s analysis (by group and by individual).
- Competency in speaking and writing for common business scenarios: Students in groups will make one case presentation that requires them to follow logical sequence and provide explanations/elaborations. Part of the score on the presentation is based on the group’s ability to speak clearly and loudly in front of audience. Students in groups will also prepare and submit a written report for their project. Part of the score on this set of projects is based on the group’s ability to develop a cohesive report free from grammatical and formatting errors.
- Team building and collaboration to achieve group objectives: Students will work in teams as they gather information, conduct financial analysis, and develop a written report. Part of the score on this exercise is based on the student’s ability to work in a team.

Course Specific Learning Goals
This course is designed to prepare students to analyze, interpret, and evaluate financial statements effectively. Specifically, upon completion of this course, students are expected to know how to:
- Analyze and interpret accounting principles and practices
- Compute and interpret financial ratios
- Conduct qualitative and quantitative analysis for a company’s business environment and strategy
- Conduct qualitative and quantitative analysis for specific Financing, Investing and Operating activities
- Interpreter and identify a company’s profitability and risks using profitability analysis
Grading

Exams:
There will be two equally weighted exams. Each exam is weighted 25% into your overall grade. The exams will include questions on any covered materials, such as lecture notes, handout, and reading assignments. Format and content of the exam will be announced in class prior to the exam.

- Exams must be taken as scheduled. There will be no make-up for the exams. It is the student’s responsibility to know when and where exams will be held.
- If you have an unavoidable conflict you must discuss this with me at least three days before the exam. If an emergency arises notify me immediately; if you cannot reach me directly, leave an email or voice message. The validity of reasons for your absence from the exam is deemed acceptable or not by the instructor.
- If you miss one exam and the reason of absence is deemed acceptable, its weight can be transferred to the other exam. If you miss both exams, at least one of the exams you miss will be graded as zero and carried into your overall grade.

Additional Exam Policy:
- After I finish grading the exams, I will bring them to class to return to you for review. If you cannot pick up yours in class, you have to appear in my office in person to look them up. Due to privacy concerns, you cannot pick up quizzes or exams for other students, including your friend(s).
- If you believe there is a mistake in your grade, please feel free to visit me for a double-check. You can only do so within 7 business days after the exam/quiz is returned to you, and you have to appear in person to do so. I will be glad to correct grading/recording/posting errors. However, grades are not negotiable if there are no grading or recording errors in the process.
- It is my policy that I DO NOT disclose or discuss grades via email or phone.

Group Presentation:
During the semester you are expected to form groups to conduct a group presentation. Each group will have no less than 4 students, and no more than 6 students. Each group will choose one publicly listed company for analysis purpose and focus on this company throughout the semester regarding to different financial statement analysis topics covered in class.
Groups need to be formed before the 2nd class meeting. Each presentation will be approximately one hour long. More details about requirements and guidelines for the presentation will be posted on WEBCT. The presentation is worth 20 points. The group’s grade will be determined by both quality of their analysis report and the quality of their presentation.

Take-home Assignment:
During the semester you will be given one group take-home assignment. The assignment will be posted on WEBCT by Monday, July 11, 2011. Submission deadline is 5pm, central time, Aug 3rd, 2011. Late submission will not be accepted, and will be automatically graded as zero. Assignment has to be submitted to WEBCT assignment drop-box. Handwritten assignments will not be accepted. The assignment is worth 20 points.

Participation:
Student participation is very important for this course. Therefore participation credits are assigned to encourage students to attend classes and engage in class discussion. Participation grade depends on the following factors:
• Attendance, including attendance for other groups’ presentations
• Performance on raising and answering questions in class, including questions during other groups’ presentations
• Performance on raising and answering questions on WEBCT discussion board
• Performance on team collaboration

Students with outstandingly good participation can earn up to 10 points of participation grades, while students that seldom participate or are disruptive to class may get zero participation grade. There is no guarantee that a student attending every class will automatically receive the full credit of class participation. Also, refer to “Attendance and Classroom Policy” section to see how your conduct may affect your participation grade.

*** Presence in group presentations is strictly required. Each absence in any group presentation will automatically result in 5 points deduction.

**Grading Schedules:** In general, the following grading schedules will apply:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Grade</th>
<th>Description</th>
<th>Exams</th>
<th>Assignment</th>
<th>Presentation</th>
<th>Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>100 - 90%</td>
<td>A</td>
<td>(excellent)</td>
<td>50%</td>
<td>20%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>89 - 80%</td>
<td>B</td>
<td>(above average)</td>
<td>50%</td>
<td>20%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>79 - 70%</td>
<td>C</td>
<td>(average)</td>
<td>50%</td>
<td>20%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>69 - 60%</td>
<td>D</td>
<td>(below average)</td>
<td>50%</td>
<td>20%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>≤ 59%</td>
<td>F</td>
<td>(failing)</td>
<td>50%</td>
<td>20%</td>
<td>20%</td>
<td>10%</td>
</tr>
</tbody>
</table>

After I finish grading the exams, I will bring them to class to return them to you. If you cannot pick up yours in class, you have to appear in my office in person to pick them up. Due to privacy concerns, you cannot pick up projects or exams for other students, including your friends.

Arguing for your grades: If you believe there is a mistake in your grading, please feel free to bring it back to me for a double-check. However, you can only do so within 7 calendar days since your exam/report is returned to you, and you have to appear in person to do so.

**Attendance and Classroom Policy**

- Arrive on time for each class meeting. Arriving late to class is disruptive to your fellow students. While arriving late for class is occasionally unavoidable, arriving late for extensive times is unacceptable to the instructor.
- Avoid excessive absences. Experience indicates that attending class regularly improves student performance. A student with excessive absences may be dropped from the class by the instructor (MSU Undergraduate Catalog 2010-2012, p. 78). It is your responsibility to sign the attendance form for each class meeting. Failure to do so will be considered as being absent.
- Prepare for each class. Read the assigned material, and problems, and come to class prepared to ask questions over issues you do not understand, answer questions from the instructor, and participate in class discussions when appropriate.
- Silence your cellphone/pager. Either turn it off, or switch it to silent mode. Phone rings or pager disrupt the whole class and will NOT be tolerated. For each time that your cellphone or pager disrupts an exam or quiz, you will have 5 points deducted from that exam or quiz.
- No private talking with your fellow students in class. If you want to speak, speak loudly so that the whole class can hear you.
- No food or beverage is allowed in the classroom. This is a college policy.
Violating above rules will result in one of the following outcomes according to severity of the violation:

- Receiving zero participation grade
- Having final letter grade lowered by one or two level (for example, from A to B, or from A to C)

or

- Being dropped from this class

**Academic Integrity**

With regard to academic honesty, students are referred to the “Student Honor Creed” on p. 19 of Midwestern State University Undergraduate Catalog, 2010-2012. Academic dishonesty such as cheating, lying, collusion, and plagiarism is taken seriously and will be investigated. The minimum penalty is an "F" in this course and referral to the Dean of Students for disciplinary action, which may result in expulsion from the University.

**Americans with Disabilities Act**

If a student has an established disability as defined in the Americans with Disabilities Act and would like to request accommodation, that student should see me as soon as possible (within the first two weeks of the semester). Refer to my office hours and phone number shown on page 1. This class follows the guidelines suggested by the Center for Counseling and Disabilities Services for students who qualify for disability services. Refer to Midwestern State University Undergraduate Catalog, 2010-2012, p. 21.

**Syllabus Change Policy**

This syllabus and the following class schedule serve as reference for the course, and they are subject to change. Syllabus changes will be communicated in class or on WebCT.
# Course Schedule: Financial Analysis

**FINC 3633/Acct 3633**  
Summer 2011  
**MTWT 4:40 pm–6:40 pm**  
**DB 175**

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topic</th>
<th>Reading Assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tues 7/5/11</td>
<td>Intro to course, syllabus, group forming</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wed 7/6/11</td>
<td>Overview of Financial Statement Analysis</td>
<td>Ch 1</td>
</tr>
<tr>
<td></td>
<td>Thur 7/7/11</td>
<td>Financial Report and Analysis</td>
<td>Ch 2</td>
</tr>
<tr>
<td></td>
<td>Fri 7/8/11</td>
<td>Analyzing Financing Activities</td>
<td>Ch 3</td>
</tr>
<tr>
<td>2</td>
<td>Mon 7/11/11</td>
<td>Analyzing Financing Activities</td>
<td>Ch 3</td>
</tr>
<tr>
<td></td>
<td>Tues 7/12/11</td>
<td>Analyzing Investing Activities</td>
<td>Ch 4</td>
</tr>
<tr>
<td></td>
<td>Wed 7/13/11</td>
<td>Analyzing Investing Activities</td>
<td>Ch 4</td>
</tr>
<tr>
<td></td>
<td>Thur 7/14/11</td>
<td>Review; Midterm Prep</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Mon 7/18/11</td>
<td>Midterm Exam</td>
<td>Ch 1, 2, 3, 4</td>
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<td></td>
<td>Tues 7/19/11</td>
<td>Analyzing Operating Activities</td>
<td>Ch 6</td>
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<tr>
<td></td>
<td>Wed 7/20/11</td>
<td>Analyzing Operating Activities</td>
<td>Ch 6</td>
</tr>
<tr>
<td></td>
<td>Thur 7/21/11</td>
<td>Cash Flow Analysis</td>
<td>Ch 7</td>
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<tr>
<td>4</td>
<td>Mon 7/25/11</td>
<td>Cash Flow Analysis</td>
<td>Ch 7</td>
</tr>
<tr>
<td></td>
<td>Tues 7/26/11</td>
<td>Profitability Analysis</td>
<td>Ch 8</td>
</tr>
<tr>
<td></td>
<td>Wed 7/27/11</td>
<td>Profitability Analysis</td>
<td>Ch 8</td>
</tr>
<tr>
<td></td>
<td>Thur 7/28/11</td>
<td>Applying Financial Statement Analysis</td>
<td>Comprehensive Case</td>
</tr>
<tr>
<td>5</td>
<td>Mon 08/01/11</td>
<td>Group Presentation #1,2</td>
<td></td>
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<tr>
<td></td>
<td>Tues 08/02/11</td>
<td>Group Presentation #3,4</td>
<td></td>
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<tr>
<td></td>
<td>Wed 08/03/11</td>
<td>Group Presentation #5,6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Thur 08/04/11</td>
<td>Final Exam</td>
<td>Comprehensive</td>
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</tbody>
</table>