

MIDSTATE COLLEGE
411 W. NORTHMOOR RD. PEORIA, IL 61614
(309) 692-4092 (800) 251-4299

Summer 2019

Course: FIN200 Principles of Finance

Credit: 4 Quarter Hours

Method of Delivery: eLearning

Course Description: An analysis of the factors governing financial management. The course examines the management of short-term assets, the sources and cost of long-term capital investment, and investment decision-making factors. Students acquire the knowledge of how to utilize accounting data from financial statements in financial analysis by deriving cash and capital budgets, forecasting sales and expense, and discounting capital investments. Students gain an understanding of the role of financial management for both domestic and international firms. In addition, the students will study the role of the Federal Reserve in the U. S. economic system.

Prerequisite(s): ACC 101 Financial Accounting I, ACC 105 Financial Accounting II, MAT 130 Introduction to Algebra or higher.

Text(s) & Manual(s): Introduction to Finance: Markets, Investments, and Financial Management

Author(s): Melicher and Norton

Publisher: John Wiley & Sons, 16th Edition

Materials Needed for this Course: Access to hardware/software and equipment and meet the minimum eLearning standards as set forth by Midstate College.

Topics: The financial environment, banks and other financial intermediaries, the savings-investment process and financial assets, interest rates, the time value of money, return and risk, bond characteristics and valuation, stock characteristics and valuation, securities markets, investment implications, business organization and financial data, financial analysis and long-term planning.

Learning Objectives: Upon completion of this course, the student will be able to:

- Understand the history, structure and functions of the U.S. and world monetary systems and how these systems affect our markets and economy.
- Demonstrate knowledge of banking and how banks and other financial institutions are structured, make a profit, raise capital and remain competitive.
- Appreciate the Federal Reserve's history and the role that the Federal Reserve plays in the

U.S. economic system.

- Understand the savings and investment process with emphasis on: interest rates, the time value of money, debt capital, stocks and bonds, securities market and financial risk.
- Demonstrate knowledge of business finance with a basic understanding of balance sheets, business organization, managing working capital and financial analysis.
- Understand both short- and long-term financing.

Midstate Grading Scale:

90 - 100	A
80 - 89	B
70 - 79	C
60 - 69	D
0 - 59	F

ACADEMIC INTEGRITY

Academic integrity is a basic principle of the College's function. Midstate College students are expected to maintain a high level of academic honesty. Contrary actions may result in penalties such as failure of the assignment(s), a lesser grade on assignment(s), failure of the course and/or suspension from the College. The course instructor will review all submitted documents and supporting evidence in connection to the infraction. The course instructor will also review the student's personal file for other notifications of academic dishonesty before determining the level of action to be applied. The course instructor will complete the Academic Dishonesty Report form to document and describe the incident and actions taken, then kept on file. The student may appeal the decision to administration, whose decision will be final.

The following are included in the actions Midstate College considers behavior contrary to the academic integrity policy; however, the policy is not limited to these examples. Further discussion of consequences regarding academic dishonesty are addressed in the [Student Handbook](#).

- **Cheating**
- **Deception**
- **Sabotage**
- **Computer Misuse**
- **Copyright Infringement**
- **Plagiarism**

Plagiarism is using another person's words, either by paraphrase or direct quotation, without giving credit to the author(s). Plagiarism can also consist of cutting and pasting material from electronic sources by submitting all or a portion of work for assignment credit. This includes papers, computer programs, music, sculptures, paintings, photographs, etc. authored by another person without explicitly citing the original source(s). These actions violate the trust and honesty expected in academic work. Plagiarism is strictly against the academic policy of Midstate College. Its seriousness

requires a measured, forceful response which includes consequences for inappropriate and/or no citation.

In courses containing writing assignments, the College promotes the use of Turnitin which compares the student's writing against previously submitted papers, journals, periodicals, books, and web pages. Students and instructors can use this service to reduce the incidence of plagiarism. This electronic resource has been found to conform to legal requirements for fair use and student confidentiality. It is able to provide a report to the student indicating the parts of the assignment that match.

Student Success and Tutoring:

The Office of Student Success offers help in the following areas:

- Tutoring: Tutoring is encouraged for students who are doing their best to complete assignments yet still are experiencing difficulty in this course. Tutoring may be provided by the instructor outside of scheduled class times or through the office of Student Success.
- Writing assignment assistance: This may include learning how to conduct research; using proofreading tools such as Turnitin; outlining a topic; and applying MLA/APA standards.
- Math, accounting, and computer skills (including file management).
- Test-taking techniques.
- Note-taking skills development.
- Study skills development.
- Time management.

Contact Student Success:

Room 110
(309) 692-4092, ext. 1100
studentsuccess@midstate.edu

Instructor Information: Brian Young

Office Phone: (309) 692-4092
Email: bjyoung@midstate.edu
Office: Room 232
Office hours Mondays 5:00 P.M.

Policies and Procedures:

1. Academic Dishonesty: Plagiarism and cheating are serious offenses and may be punished by failure on exam, paper or project; failure in course; and/or expulsion from

the college. For more information refer to the “Academic Dishonesty” policy in the student handbook.

2. Grades: It is the students’ responsibility to keep copies of all assignments turned in for a letter grade until the end of the quarter when a final grade has been earned. If a document is lost and no copy is available, the student will not receive credit.

Participation Requirements:

1. Assignments/Exams: Homework is due at the beginning of the class period. 70% is the highest score that late or make up work can earn. No late or make-up work is accepted after week 11.
2. Attendance: Regular attendance is expected. It is the student’s responsibility to notify the instructor when a class will be missed. If you know of a conflict ahead of time, you are welcome to submit projects early. If the instructor receives no call or email before the missed class period you will be considered missing and no make-up is allowed for that day. DO NOT MISS EXAMS. Makeup exams will only be given in the case of EXTREME, well-documented situations.

Examination Information: A pre-test and post-test will be given to assess course learning. Both the pre-test and post-test are graded based on participation only. The student will receive the full points for simply taking these tests.

Methods of Evaluating Student Performance:

Test (2)	50%
Attendance and Participation	25%
Quizzes, assignments etc.	25%

Instructor’s Grading Scale:

- 90-100 A
- 80-89 B
- 70-79 C
- 60-69 D
- 0-59 F

Barbara Fields Memorial Library

Contact Information:

Location: Room 403

Phone: (309) 692-4092 ext. 4030

Fax: (309) 692-3893

Email: library@midstate.edu

Library Hours:

Monday – Thursday 8:00 a.m. – 9:00 p.m.

Friday 8:00 a.m. – 4:30 p.m.

Saturday 9:00 a.m. – 12:00 p.m.

The Barbara Fields Memorial Library, located in Room 403 of the R. Dale Bunch Student Center, contains books, periodicals, and other materials to support the educational and cultural needs of students, faculty, and staff. Computers are available for student use during library hours.

The library also subscribes to several online research resources that give immediate access to digitized versions of professionally-published content such as books, journal articles, popular magazines and the like.

Research Guides

Library guides are organized by subject that will give you access to all of the library resources like books, ebooks, reference materials, articles from subscription databases, business news and articles, company research, industry and economic data, tools for business & writing and citation help. *Plus* you'll find links to websites, videos, tutorials, and more!

Access the Business Research Guides at this location: <http://midstate.libguides.com/business> or, follow the steps below:

1. Visit www.midstate.edu
2. Click on Library Resources at bottom of page
3. Click on “Click the Cloud!” (in light blue color in middle of page)

Note: The instructor reserves the right to modify the syllabus at any time should that action be deemed necessary.

Week-by-Week

Please keep in mind that the schedule below is subject to change based on the progress made in the course. If a change is made, the instructor will change the weekly objectives and communicate this to the students accordingly.

Week 1**Lecture Topics**

- Pretest
- The financial environment.

Objective

Understand the history, structure and functions of the U.S. and world monetary systems and
how these systems affect our markets and economy

Assignments

- Read Chapter 1
- Answer discussion questions 2,3,4,17, and 18 at end of chapter 1.

WEEK 2:

Lecture Topics

- Banks and Other Financial Intermediaries
- Savings-Investment Process and Financial Assets

Objectives

- Understand the history, structure and functions of the U.S. and world monetary systems and
how these systems affect our markets and economy.
- Demonstrate knowledge of banking and how banks and other financial institutions are structured, make a profit, raise capital and remain competitive.
- Appreciate the Federal Reserve's history and the role that the Federal Reserve plays in the
U.S. economic system.

Assignments

- Read Chapter 2
- Answer discussion questions 2,5,7,10,15, and 16.
- Complete *problems* # 1,6, 7 and 10

WEEK 3:

Lecture Topics

- The savings-investment process and financial assets
- Time Value of Money

Objectives

- Understand the history, structure and functions of the U.S. and world monetary systems and how these systems affect our markets and economy.
- Demonstrate knowledge of banking and how banks and other financial institutions are structured, make a profit, raise capital and remain competitive.
- Appreciate the Federal Reserve's history and the role that the Federal Reserve plays in the U.S. economic system.
- Understand the savings and investment process with emphasis on: interest rates, the time value of money, debt capital, stocks and bonds, securities market and financial risk.

Assignments

- Read Chapter 3
- Answer discussion questions 1,8,14,17, and 18.
- Complete *problems* 1,3 and 6

WEEK 4:

Lecture Topics

- Banks and Financial Institutions
- Time Value of Money

Objectives

- Understand what is meant by time value of money
- Understand how to calculate simple and compound interest
- Describe the meaning of an ordinary annuity
- Describe the process of discounting to determine present value

Assignments:

- Read Chapter 9
- Complete problems 1,5,7 and 18 at end of chapter 9

WEEK 5:

Lecture Topics

- Bond characteristics and valuation

- Stock characteristics and valuation

Objectives

- Identify the major sources of external long-term financing for corporations
- Describe the major characteristics of corporate bonds
- Explain how bonds are valued
- Describe major characteristics of common and preferred stock
- Explain how stocks are valued

Assignments

Review for Midterm

WEEK 6:

Midterm Examination

WEEK 7

Lecture Topics

- Business Organization and Financial Data

Objectives

- Describe the major forms of business organization
- Describe the three primary financial statements
- Describe the goal and functions of financial management

Assignments:

- Read Chapter 4
- Answer discussion questions 1,5,9,15, and 17.
- Complete Problems 1,2 and 3 at end of chapter

WEEK 8:

Lecture Topics

- Financial Analysis and Long-Term Planning

Objectives

- Describe financial ratios and what they are used for
- Describe the five basic types of financial ratios
- Describe how internal generated financing occurs.

Assignments

- Read Chapter 14
- Answer discussion questions 1,2, 5 and 9.
- Research Assignment to be announced

WEEK 9:

Topics

- Evaluating Business Investments

Objectives

- Explain the capital budgeting process
- Identify and describe the five steps in capital budgeting
- Describe the methods and techniques used in capital budgeting

Assignments

- Read Chapter 6
- Complete problems 1 and 5 at end of chapter 6

WEEK 10:

Lecture Topics

- Managing Working Capital
- Short-term Business Financing

Objectives

- Explain what is meant by a firm's operating cycle

- Describe the impact of the operating cycle on the size of investment in accounts receivable and inventory
- Explain what is a cash budget and how it is used
- Identify the strategies of financing working capital
- Identify the types of financing available for working capital;

Assignments:

- To be announced

WEEK 11:

Topics

- Review Stock Market Case Study
- Review for comprehensive final

Assignments

- Complete Stock Market Case Study
- Review for final exam

WEEK 12:

Final Exam