



### Competency-Based Education Program

### FIN-303 Principles of Finance

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<p>Course Description:</p>	<p>General principles of business finance focusing on markets, analysis, interest rates, the time value of money, the valuation of securities, and capital allocation within the firm.</p>
<p>Course Competencies and Learning Outcomes:</p>	<p><b>Competency 1:</b> Prepare, interpret, analyze, and explain basic financial statements and the basics of the country’s current tax system.</p> <ol style="list-style-type: none"> <li>1.1 Prepare basic statements and explain the purpose and key issues associated with the income statement, balance sheet, and statement of cash flows.</li> <li>1.2 Prepare and interpret each of the three components of a company’s cash flow statement and compute taxes including marginal and average tax rates.</li> <li>1.3 Calculate and interpret key financial ratios, common size income statement and balance sheet, apply trend analysis, and comparative analysis.</li> </ol> <p><b>Competency 2:</b> Demonstrate an understanding of the operation of financial markets and interest rates.</p> <ol style="list-style-type: none"> <li>2.1 Explain the role of the financial markets and financial intermediaries.</li> <li>2.2 Differentiate between money and capital markets, primary and secondary markets as well as explain the importance of each.</li> <li>2.3 Explain the individual components that determine the rate of interest for a particular security and Federal reserve system. <ul style="list-style-type: none"> <li>• Real Rate of Interest</li> <li>• Inflation Premium</li> <li>• Default Risk Premium</li> <li>• Maturity Risk Premium</li> <li>• Liquidity Risk Premium</li> <li>• Special Characteristics Premium</li> </ul> </li> </ol> <p><b>Competency 3:</b> Explain and utilize the time value of money principles to calculate the value of basic securities (stocks and bonds).</p> <ol style="list-style-type: none"> <li>3.1 Solve for the future value, present value, payment, interest rate, or the number of periods using excel. This includes complex time value of money calculations (problems where multiple steps are required in order to reach the final solution)</li> <li>3.2 Calculate the value of a bond given the coupon rate, required return, and time to maturity of the bond.</li> </ol>

	<p>3.3 Define par value, book value, and market value as these terms relate to common stock and identify the relative importance of each and identify the rights and privileges associated with ownership of common stock.</p> <p>3.4 Compare and contrast equity options with debt options.</p> <p><b>Competency 4:</b> Create budgets with particular emphasis on capital requirements and cash.</p> <p>4.1 Prepare financial budget, with particular attention on cash requirements</p> <p>4.2 Use quantitative capital budgeting tools to make recommendations for capital projects with limited capital resources.</p> <p><b>Competency 5:</b> Demonstrate an understanding of modern portfolio theory dealing with the relationship between risk and return in investments.</p> <p>5.1 Define the concept of risk and identify sources of risk and differentiate between general economic risk factors and firm-specific risk factors</p> <p>5.2 Differentiate between firm-specific (diversifiable) risk, market (non-diversifiable) risk, and total risk.</p>								
Textbook and Other Course Materials:	There is no required textbook to purchase for this course. All reading materials and media are available through our course Canvas site. Please review the content pages and activities in each module of the course, including the "Overview & Outcomes" section in each competency module.								
Grading Scale:	In order to pass this course, you must receive an 80% or higher overall. A "B" is passing, and an "A" is 90% or higher overall.								
Grade Components:	<p>Your final grade in this course is based on your ability to pass each of the summative assessments, one for each competency, at the threshold of 80% or higher.</p> <table border="1" data-bbox="391 1255 1425 1417"> <thead> <tr> <th>Component</th> <th>Impact on Final Grade</th> </tr> </thead> <tbody> <tr> <td>Pre-tests</td> <td>Not included in final grade.</td> </tr> <tr> <td>Learning Activities</td> <td>Not included in final grade.</td> </tr> <tr> <td>Post-tests</td> <td>Final grade based on these assessments</td> </tr> </tbody> </table>	Component	Impact on Final Grade	Pre-tests	Not included in final grade.	Learning Activities	Not included in final grade.	Post-tests	Final grade based on these assessments
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Late work:	This course is designed for you to proceed at your own pace. However, I urge you to take the pretest for the first competency during the first three days of class and to progress at an accelerated rate. Unlike most traditional college programs, the courses in this program last 7-weeks, which means that it is easy to fall behind. In order to avoid this, allocate sufficient time to complete all work in an efficient and qualitative manner, so that you are able to pass all four post-tests within the time allowed.								

Time commitment:	Online courses are typically just as time intensive, and may be more rigorous, than traditional courses. Many students claim that online courses require more time and commitment. As you begin this course, you would be wise to schedule 8 or more hours per week for studying materials and completing assignments. Falling behind in this course is particularly problematic because the concepts we cover are cumulative. This means that not becoming proficient with information and objectives presented and assessed in a particular week can lead to low scores for that week as well as in subsequent weeks.
Class Participation:	<p>Online courses require your active participation. Here are some tips for success:</p> <ul style="list-style-type: none"> <li>• In courses with discussion forums, you learn from one another by posting questions, justifying your comments, and providing multiple perspectives. When you prepare for discussions through thoughtful reflection, you contribute to your own successful learning experience as well as to the experience of your peers.</li> <li>• Log in to the course frequently (at least several times per week for long semesters and daily for summer sessions) and check your email as I will be sending weekly emails, as well as post Announcements. This will keep you apprised of any course updates, progress in discussions, assignment information, and messages requiring immediate attention.</li> <li>• Be aware of and keep up with the Course Schedule in the Syllabus.</li> </ul>
Academic Integrity:	The successful functioning of the academic community demands honesty, which is the basis of respect for both ideas and persons. In the academic community, there is an ongoing assumption of academic integrity at all levels. There is the expectation that work will be independently thoughtful and responsible as to its sources of information and inspiration. Honesty is an appropriate consideration in other ways as well, including but not limited to the responsible use of library resources, responsible conduct in examinations, and the responsible use of the Internet.
Attendance and Withdrawal Policies:	<p>Attendance (regular participation in the online classroom) is essential for maintaining the best learning environment.</p> <ul style="list-style-type: none"> <li>• You will be expected to log on to the course site 2-3 times per week until you have finished all work successfully.</li> <li>• Regular communication with the instructor is encouraged. If you have any questions about the material covered in this class, don't hesitate to contact your instructor. He/she is here to help you.</li> <li>• If, for whatever reason, you decide to withdraw from this course, be sure to check the final withdrawal date.</li> </ul>
Course Rules	<b>Your Expectations of Me:</b>

<p>and Expectations:</p>	<ul style="list-style-type: none"> <li>• I will treat you with courtesy and respect.</li> <li>• I will respond to your telephone calls and e-mails within a reasonable period of time.</li> <li>• I will do my best to help you prepare for the future classes.</li> <li>• I will model high standards of academic honesty and integrity.</li> </ul> <p><b>My Expectations of You:</b></p> <ul style="list-style-type: none"> <li>• You will treat me and your fellow classmates with courtesy and respect.</li> <li>• You will contact me if you have questions or if you don't understand something.</li> <li>• You will do your best to master the material and to submit work that you are proud to put your name on.</li> <li>• You will display high standards of academic honesty and integrity.</li> </ul>
<p>Build Rapport:</p>	<p>If you find that you have any trouble keeping up with assignments or other aspects of the course, make sure you let your Instructor know as early as possible. As you will find, building rapport and effective communications are the keys to becoming an effective professional. Make sure that you are proactive in informing your Instructor when difficulties arise during the term so that we can help you find a solution.</p>
<p>Netiquette:</p>	<ul style="list-style-type: none"> <li>• Behind every name there is a person. Respect each other. We are all in this together.</li> <li>• Keep in mind you are taking a college class. Something that would be inappropriate in a traditional class is also inappropriate in an online class.</li> <li>• Be aware that typing in all capital letters indicates shouting</li> <li>• Be careful with humor and sarcasm. Both can be misunderstood.</li> <li>• Review all discussion postings before posting your own to prevent redundancy.</li> </ul>
<p>Syllabus Disclaimer:</p>	<p>Information contained in this syllabus is, to the best knowledge of this Instructor, considered correct and complete when distributed to the student. The Instructor reserves the right, acting within policies and procedures of Nichols College, to make necessary changes in course content or instructional techniques without prior notice or obligation to the student. Any changes made would be communicated accordingly.</p>