



COURSE SYLLABUS

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SECTION 1: COURSE INFORMATION

Format: Eight weeks.

Course ID: BBUS 1013

Course Title: Financial Decision Making

College: College of Unrestricted Education – Business and Professional Leadership

Prerequisites: BBUS 1333

Credit Hours: 3

Instructor: See the online course in MyFIRE for instructor contact information and availability.

Course Description

This course provides an introduction to the basics of using financial data to make informed decisions in organizations. It places emphasis on financial statements, time value of money, financial ratios, budgeting, and managerial decision-making using accounting and finance information.

Course Overview

The primary purpose of this course is to introduce students to finance and the types of decisions that are made by financial managers. Financial managers are responsible for managing the financial resources that belong to an organization whether those financial resources are tangible or intangible assets. It is important to study finance because it offers a means in which to determine the financial health of a company and shape its future success. Students will learn the basic concepts and methods used for making financial decisions for an organization.

Course Workload

Time spent on course assignments will vary by student depending on familiarity with course content, reading rate of speed, writing rate of speed, and other individual factors. Based on averages for most students, it is estimated that the course workload estimate for this course is 72.72 (9.09 hours per week).

Course Materials

This course is utilizing Follett Access®, a new and convenient program designed to ensure every student has the course materials they need to succeed. When you register for this course, the required course materials will be ordered for you, and the cost of the materials will be applied to your student account as a course fee. This feature enables you to identify the full cost of your course upfront with no surprises of additional out of pocket expenses for required course materials. Once you are registered in the Student Information System (JICS) and you gain access to the course, you will automatically have access to the required course materials.

If you have questions about the cost of your course materials, please access your financial statement through the Student Information System (JICS). The cost will be listed as a course material(s) fee.

Grades: Grades that appear in Pearson are not reflective of course grades; course grades will appear in MyFIRE only.

Disclaimer: The resources utilized in this course provide information, thoughts and insights that should encourage critical thinking on the part of the student. Please note as well that as an Assembly of God institution, Southeastern University does not necessarily endorse specific personal, religious, philosophical, or political positions found in these resources.

Course Topics

The purpose of this course is to introduce, reinforce, and measure learning on the following topics:

- Principles of Financial Management
- Understanding For-Profit Financial Statements
- Understanding Non-Profit Financial Statements
- Basic Financial Analysis
- Understanding the Time Value of Money Concepts
- Break-Even Analysis
- Formulating Operational Budgets
- Sources of Financing for Firms and Non-Profits

Intended Learning Outcomes

As a result of reading, study, and assessments in this course, the student should be able to:

1. Describe the components of effective financial management.
2. Explain what is displayed on the three major financial statements of for-profit organizations.
3. Explain what is displayed on the three major financial statements of non-profit organizations.
4. Perform a basic financial analysis in the areas of profitability, asset utilization, leverage, and liquidity.
5. Perform analyses using time value of money calculations for making investment decisions.
6. Can calculate a break-even point for products and services.
7. Develop a basic operational budget in a spreadsheet.
8. Distinguish between sources of funding for non-profit and for-profit organizations.

Late Work

Students are expected to submit all work according to the Class Schedule.

In the case of an unavoidable absence, students must contact the instructor, preferably before the meeting to be missed. Students are subject to appropriate academic penalties for incomplete or unacceptable makeup work, or for excessive or unexcused absences. Late submissions will be accepted, but the following late penalties will apply:

1 day late: 10% penalty

2 days late: 20% penalty

3 days late: 30% penalty

Assignments will not be accepted more than 3 days after the due date of the assignment unless approved prior by the instructor. The last assignment must be turned in no later than the due date of the assignment. The last assignment will not be accepted late.

Extra Credit

"None Accepted"

SECTION 2: SOUTHEASTERN POLICIES

Academic Policies

View this link to see Southeastern's Policies regarding SEU's Mission and Vision Statements, Title IX Statement, Student Services, Class Participation, Official Email, MyFIRE Use, Technical Difficulties, Technical Support, Disability Statement, Academic Honesty, Course Evaluation, Official Withdrawal, Grading Scale, and Netiquette.

SECTION 3: COURSE SCHEDULE

The **Course Schedule** provides a listing of your work in this course. The assessments are listed by Module and include the due dates and point values.

Note: Assignments are due by 11:59 p.m. EST on the due date, unless otherwise noted.

AIM, LEARN, AND APPLY DESCRIPTIONS

Aim



When you see the Aim icon, you will be introduced to topics and ideas that will be covered throughout this module. The AIM will also provide you with a glimpse into your learning objectives and an introduction to this module.

Learn



When you see the Learn icon, all of your reading assignments will be listed and may include additional resources that your instructor is providing to help you complete the activities and assessments for the module.

Apply



When you see the Apply Icon, it will be time to demonstrate your learning for the module. The items here are those in which you'll be graded and may include discussions, activities, assignments, quizzes, exams, and projects.

MODULE 1

XX/XX/XX – XX/XX/XX



Aim

Be sure you read the learning outcomes that your instructor has set for this week and then do your best to accomplish them.

- Discuss the importance of finance in your personal and professional lives, and identify the three primary business decisions that financial managers make. (1.1)
- Identify the key differences among the three major legal forms of business. (1.2)
- Describe the role of the financial manager within the firm and the goal for making financial choices. (1.3)
- Explain the five principles of finance that form the basis of financial management for both businesses and individuals. (1.4)



Learn

This section lists all your reading assignments and may include additional resources that your instructor is providing to help you complete the activities and assessments for the week.

- Read Chapter 1 in your e-textbook in MyLab Finance:
 - Titman, S., Keown, A. J., & Martin, J. H. (2017). *Financial management: Principles and applications* (13th ed.). New York, NY: Pearson.
- Complete Chapter 1 quiz and Chapter 1 homework assignments in Pearson MyLab Finance.



Apply

Now you're ready to demonstrate your learning for the week. The items below are those on which you'll be graded this week and may include discussions, activities, assignments, quizzes, exams, and projects.

- Module 1 Discussion Forum
 - Due: Thursday, Tuesday
 - Points: 30
- Module 1 Assignment 1
 - Due: Tuesday
 - Points: 50
- Module 1 Assignment 2
 - Due: Tuesday
 - Points: 50
- Module 1 Assignment 3
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 1 Quiz
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 1 Homework
 - Due: Tuesday
 - Points: 50

MODULE 2:
XX/XX/XX – XX/XX/XX

 **Aim**

- Describe the content of the three basic financial statements, including the statement of shareholders equity, and discuss the importance of financial statement analysis to the financial manager. (3.1)
- Evaluate firm profitability using the income statement. (3.2)
- Interpret the balance sheet to describe a firm's investments in assets and the way it has financed them. (3.4)
- Identify the sources and uses of cash for a firm using the firm's cash flow statement. (3.5)

 **Learn**

- Read Chapter 3 in your e-textbook:
- Titman, S., Keown, A. J., & Martin, J. H. (2017). Financial management: Principles and applications (13th ed.). New York, NY: Pearson.
- Complete Chapter 3 quiz and Chapter 3 homework assignments in Pearson MyLab Finance.

 **Apply**

- Module 2 Discussion Forum
 - Due: Thursday, Tuesday
 - Points: 30
- Module 2 Assignment
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 3 Quiz

- Due: Tuesday
- Points: 50
- MyLab Finance Chapter 3 Homework
 - Due: Tuesday
 - Points: 50

MODULE 3:
XX/XX/XX – XX/XX/XX

 **Aim**

- Discuss the role of financial statements in nonprofit financial decision-making.
- Compare and contrast the major nonprofit financial statements, including the limitations of each.
- Explain what is displayed on the three major financial statements and why it is important for nonprofit managers, ministries, and board members be able to interpret these financial statements.
- Construct each of the major nonprofit financial statements using Microsoft Excel.

 **Learn**

- Read: Understanding Nonprofit Financial Statements at:
 - Willis, J. (2016, January 11). *Understanding nonprofit financial statements*. <http://nonprofitinformation.com/understanding-nonprofit-financial-statements/>
- Read Chapter 2: The Basic Financial Statements:
 - Kioko, S. N. & Marlowe, J. (2017). *The basic financial statements*. In *Financial strategy for public managers*. <https://press.rebus.community/financialstrategy/chapter/accounting-and-financial-reporting/>
- Watch Video: Perez. (n.d.). *Key concepts: Financial management for nonprofits, churches and ministries* [Video file]
- Watch: What are Nonprofit Financial Statements (4 min.):
 - Aplos. (2014, December 13). *What are nonprofit financial statements?* [Video file]. Retrieved from <https://youtu.be/mBcFV9tDDC0>
- Watch Video: Non-Profit Accounting Basics at (31 min.):
 - Aplos. (2014, December 17). *Nonprofit accounting basics* [Video file]. Retrieved from <https://youtu.be/DEJHlxjSB4>

- Watch Video: Non-Profit Finance Fundamentals (66 min.):
 - Cornerstone OnDemand Foundation. (2014, December 2). Nonprofit finance fundamentals [Video file]. Retrieved from <https://youtu.be/p9hxNDEUet0>



Apply

- Module 3 Discussion Forum
 - Due: Thursday, Tuesday
 - Points: 30
- Module 3 Assignment 1
 - Due: Tuesday
 - Points: 50
- Module 3 Assignment 2
 - Due: Tuesday
 - Points: 50
- Module 3 Assignment 3
 - Due: Tuesday
 - Points: 75

MODULE 4:
XX/XX/XX – XX/XX/XX

 **Aim**

- Explain what we can learn by analyzing a firm's financial statements. (4.1)
- Utilize common-size financial statements as a tool of financial analysis. (4.2)
- Calculate and use a comprehensive set of financial ratios to evaluate a company's performance. (4.3)
- Identify an appropriate benchmark for use in performing a financial ratio analysis. (4.4)
- Describe the limitations of financial ratio analysis. (4.5)

 **Learn**

- Read Chapter 4 in your e-textbook:
 - Titman, S., Keown, A. J., & Martin, J. H. (2017). *Financial management: Principles and applications* (13th ed.). New York, NY: Pearson.
- Complete Chapter 4 quiz and Chapter 4 homework assignments in Pearson MyLab Finance.

 **Apply**

- Module 4 Discussion Forum
 - Due: Thursday, Tuesday
 - Points: 30
- Module 4 Assignment 1
 - Due: Tuesday
 - Points: 50
- Module 4 Assignment 2

- Due: Tuesday
- Points: 50
- MyLab Finance Chapter 4 Quiz
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 4 Homework
 - Due: Tuesday
 - Points: 50

MODULE 5:
XX/XX/XX – XX/XX/XX



Aim

- Describe how cash flow timelines are used to organize your analysis of problems involving the time value of money. (5.1)
- Examine compounding principles, and calculate the future value of cash flows using mathematical formulas, a financial calculator, and an Excel spreadsheet. (5.2)
- Examine discounting principles, and calculate the present value of cash flows using mathematical formulas, a financial calculator, and an Excel spreadsheet. (5.3)
- Determine how interest rates are quoted and know how to make them comparable.
- Distinguish between an ordinary annuity and an annuity due, and calculate the present and future values of each. (6.1)
- Calculate the present value of a level perpetuity and a growing perpetuity. (6.2)
- Calculate the present and future values of uneven cash flow streams. (6.3)



Learn

- Read Chapters 5 & 6 in your e-textbook:
 - Titman, S., Keown, A. J., & Martin, J. H. (2017). *Financial management: Principles and applications* (13th ed.). New York, NY: Pearson.
- Complete Chapter 5 & 6 quiz and Chapter 5 & 6 homework assignments in Pearson MyLab Finance.



Apply

- Module 5 Discussion Forum
 - Due: Thursday, Tuesday
 - Points: 30
- Module 5 Assignment
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 5 Quiz
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 5 Homework
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 6 Quiz
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 6 Homework
 - Due: Tuesday
 - Points: 50

MODULE 6:
XX/XX/XX – XX/XX/XX

 **Aim**

- Describe the importance of Break-Even Analysis in business finance and how managers can use this tool to make financial management decisions.
- Explain the concepts of fixed and variable costs used in break-even analysis, including identifying which is an indirect cost and which is a direct cost.
- Differentiate between accounting break-even and cash break-even analysis.
- Apply break-even analysis to evaluate project risk. (13.3)

 **Learn**

- Read Chapter 13, section 13-3 in your e-textbook:
 - Titman, S., Keown, A. J., & Martin, J. H. (2017). Financial management: Principles and applications (13th ed.). New York, NY: Pearson.
- Complete Chapter 13 quiz and Chapter 13 homework assignments in Pearson MyLab Finance.

 **Apply**

- Module 6 Discussion Forum
 - Due: Thursday, Tuesday
 - Points: 30
- Module 6 Assignment 1
 - Due: Tuesday
 - Points: 50
- Module 6 Assignment 2
 - Due: Tuesday

- Points: 50
- MyLab Finance Chapter 13 Quiz
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 13 Homework
 - Due: Tuesday
 - Points: 50

MODULE 7:
XX/XX/XX – XX/XX/XX

 **Aim**

- Describe how operating budgets are used for planning and control. (9.1)
- Describe the process used to establish budgets (9.2)
- Describe operating budgets for merchandising, service, and not-for-profit organizations. (9.4)
- Explain the ethical issues associated with creating operating budgets. (9.5)
- Construct a basic operational budget using Microsoft Excel.

 **Learn**

- **Read** “How are operating budgets created” Chapter 9
 - Saylor Academy. (2012). How are operating budgets created?. In *Managerial accounting*. https://saylordotorg.github.io/text_managerial-accounting/s13-how-are-operating-budgets-crea.html
- **Watch** What is an Operating Budget (3 min.):
 - KurtHeisinger. (2016, May 1). *Managerial accounting 9.1: Planning and controlling operations* [Video file]. Retrieved from <https://youtu.be/wgQ-hdg9ajE>
- **Watch** Operating Budget components and preparation (17 min):
 - Rutgers Accounting Web. (2015, July 28). *Operating budget components and preparation* [Video file]. Retrieved from <https://youtu.be/TEgOzU0ZsY4>

 **Apply**

- Module 7 Discussion Forum
 - Due: Thursday, Tuesday
 - Points: 30

- Module 7 Assignment 1
 - Due: Tuesday
 - Points: 50
- Module 7 Assignment 2
 - Due: Tuesday
 - Points: 50
- Module 7 Assignment 3
 - Due: Tuesday
 - Points: 50
- Module 7 Assignment 4
 - Due: Tuesday
 - Points: 75

MODULE 8:
XX/XX/XX – XX/XX/XX



Aim

- Describe the structure and functions of financial markets. (2.1)
- Identify both short-term and long-term sources of funding used by firms.
- Identify the types of funding available to nonprofit organizations.
- Explain the differences between sources of financing used by nonprofit and those used by for-profit organizations to operate their organizations.



Learn

- Read Chapter 2 in your e-textbook:
- Titman, S., Keown, A. J., & Martin, J. H. (2017). *Financial management: Principles and applications* (13th ed.). New York, NY: Pearson.
- Complete Chapter 2 quiz and Chapter 2 homework assignments in Pearson MyLab Finance.



Apply

- Module 8 Discussion Forum
 - Due: Thursday, Tuesday
 - Points: 30
- Module 8 Assignment 1
 - Due: Tuesday
 - Points: 50
- Module 8 Assignment 2
 - Due: Tuesday
 - Points: 50

- Module 8 Assignment 3
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 2 Quiz
 - Due: Tuesday
 - Points: 50
- MyLab Finance Chapter 2 Homework
 - Due: Tuesday
 - Points: 50

SECTION 4: ASSESSMENTS

Discussion Forums

Description

In Weekly module discussion forums.

Total Possible Points

240

Grade Weight

25%

Assignments

Description

Weekly essays/alternative media and Excel application exercises

Total Possible Points

1,000

Grade Weight

50%

SECTION 4: ASSESSMENTS

MyLab Finance Quizzes and Homework

Description

Pearson MyLab Quizzes and Homework assignments covering the concepts being learned in the assigned chapter readings.

Total Possible Points

700

Grade Weight

25%