



# Sam Houston State University

## DEPARTMENT OF GENERAL BUSINESS AND FINANCE

### SYLLABUS – FINC 4335 (ONLINE) FALL 2017

**COURSE TITLE:** Financial Statement and Credit Analysis  
**INSTRUCTOR:** Dr. Kurt Jesswein  
**OFFICE:** SHB 103D  
**E-MAIL:** jesswein@shsu.edu  
**PHONE:** (936) 294-4582  
**OFFICE HOURS:** MTWTh, 9:30 a.m. – 11:00 a.m., or by appointment.  
**TEXTBOOK:** A draft textbook for the course is available for download on Blackboard.

**SUPPLEMENTAL MATERIALS:** All course materials are on Blackboard. It is important to check Blackboard for course updates and check your email for other important messages. You are expected to complete your homework assignments using Excel. If you do not have access to Excel, you may use it through the university's servers via remote access, or you may try any of the alternatives described in the article below:

<http://www.smallbusinesscomputing.com/slideshows/4-free-spreadsheet-alternatives-to-microsoft-excel.html>

**DESCRIPTION OF COURSE:** A study of theoretical issues and various applications relevant to the analysis of financial statements using finance and accounting principles. Readings and case studies are utilized to provide a contemporary perspective.

**COURSE OBJECTIVES:** At the conclusion of the course, students will be able to:

- Describe the key financial accounting items and construct, in good form, a balance sheet, income statement, and cash flow statement.
- Discuss the purpose(s) of analyzing financial statements and its impact on decision making.
- Assess the financial health of an entity through financial statement analysis.
- Estimate the impact alternative accounting and reporting standards (US GAAP, IFRS) have on the calculation and interpretation of selected financial ratios.
- Calculate and properly interpret financial ratios and other financial indicators to assess the credit and investment worthiness of an entity.

**PREREQUISITE:** FINC 3320

**CLASS MEETINGS:** Online. The course will become available on Wednesday, August 23, 2017. All coursework, including the final exam, must be completed by 11:59 p.m. on Wednesday, December 6, 2017.

**COURSE EVALUATION PROCESS:** There are ten quizzes, fourteen exercises, four homework assignments, and three exams, plus an optional comprehensive final exam. The weighting scheme for the course is as follows:

Quizzes (10 × 1% each)	10%
Exercises (14 × 1% each)	14%
Homework assignments (4 × 3% each)	12%
Exams (4 × 16% each)	<u>64%</u>
	100%

Course grades are determined by applying the following scale to a student's weighted average of quizzes, exams, homework assignments, and exercises:

90 – 100	A
80 – 89.9	B
70 – 79.9	C
60 – 69.9	D
Below 60	F

### Quizzes

There are ten (10) quizzes that deal mostly with qualitative aspects of the course material. The quizzes may be repeated as often as necessary (up to the time the associated exam opens) to allow you to earn the highest grade on each quiz. Only the highest score will count, which should encourage you to review the quizzes in preparing for the exams.

### Exercises

There are fourteen (14) exercises that deal mostly with quantitative aspects of the course material. The exercises may be repeated as often as necessary (up to the time the associated exam opens) to allow you to earn the highest grade on each exercise. Only the highest score will count, which should encourage you to review the exercises in preparing for the exams.

### Exams

There are three (four including the final exam) exams made up of multiple choice questions and short problems, most of which are similar to the questions found on the quizzes and problems found on the exercises. Whether completed in Excel or on paper, it is recommended that you save your work and submit it to me via email (or fax) after completing the exam so that I can provide partial credit for any missed questions. If you opt out of taking the final exam, the average of the first three (3) exam grades, *not the overall course average*, will be used to substitute for the final exam grade. This in effect increases the weight of each of the three exams from 16% to 21.33% of your overall grade in the course. If and only if you complete the final exam, the score on the final exam can be used to replace the lowest score from the earlier three exams as well as count as the final exam grade.

### Assignments

There are four (4) homework assignments. You may wish to and are encouraged to work on the assignments with others. The assignments should be completed in Excel and must be submitted through the assignment submission feature in Blackboard. To receive full credit, each assignment must be submitted by the due date specified for the assignment.

**ACADEMIC DISHONESTY:** All SHSU policies will be strictly enforced. You may review the guidelines at [www.shsu.edu/syllabus/](http://www.shsu.edu/syllabus/).

**STUDENT ABSENCES ON RELIGIOUS HOLY DAYS POLICY:** All SHSU policies will be followed. You may review the guidelines at [www.shsu.edu/syllabus/](http://www.shsu.edu/syllabus/).

**STUDENTS WITH DISABILITIES POLICY:** All SHSU policies will be followed. You may review the guidelines at [www.shsu.edu/syllabus/](http://www.shsu.edu/syllabus/).

## ***TENTATIVE COURSE OUTLINE***

Module 1 (8/23 – 8/27)	Introduction to financial statement analysis (Ch. 1)
Module 2 (8/30 – 9/3)	Overview of financial statements (Ch. 2); Quiz 1
Module 3 (9/4 – 9/10)	Balance sheets (Ch. 3); Quiz 2; Exercise 1
Module 4 (9/11 – 9/17)	Income statements (Ch. 4); Quiz 3; Exercise 2; Homework 1
Module 5 (9/18 – 9/24)	Cash flow statements (Ch. 5); Quiz 4; Exercise 3
Module 5 (9/25 – 10/1)	Cash flow statements (Ch. 5); Exercises 4 & 5; Homework 2
Exam 1 over Modules 1-5 due by 11:59 pm on Monday, October 2, 2017	
Modules 6 & 7 (10/2 – 10/8)	Intro to ratio analysis (Ch. 6); Profitability ratios (Ch. 7); Quiz 5; Exercise 6
Module 8 & 9 (10/9 – 10/15)	Efficiency and liquidity ratios (Ch. 8 & 9); Exercises 7 & 8
Module 10 (10/16 – 10/22)	Solvency ratios (Ch. 10); Quiz 6; Exercise 9
Module 11 (10/23 – 10/29)	Market-based ratios (Ch. 11); Quiz 7; Exercise 10
Exam 2 over Modules 6-11 due by 11:59 pm on Monday, October 30, 2017	
Modules 12 & 13 (10/30 – 11/5)	Credit analysis (Ch. 13); Forecasting financial statements (Ch. 14)
Module 13 (11/6 – 11/12)	Forecasting financial statements (Ch. 14); Quiz 8; Exercise 11; Homework 3
Module 14 (11/13 – 11/19)	Valuation analysis (Ch. 15); Quiz 9; Exercise 12; Homework 4
Module 15 (11/20 – 11/26)	Adjusted financial statements (Ch. 12); Exercise 13
Module 15 (11/27 – 12/1)	Adjusted financial statements (Ch. 12); Quiz 10; Exercise 14
Exam 3 over Modules 12-15 due by 11:59 pm on Friday, December 1, 2017	
Comprehensive Final Exam due by 11:59 pm on Wednesday, December 6, 2017	

### ***Key Deadlines (Course Due Dates are Tentative)***

Fri, 9/8	Last day to apply for December graduation
Wed, 9/20	Assignment 1
Wed, 9/27	Assignment 2
Mon, 10/2	Quizzes 1-4; Exercises 1-5; Exam 1
Mon, 10/30	Quizzes 5-7; Exercises 6-10; Exam 2
Fri, 11/10	Last day to drop courses
Mon, 11/13	Assignment 3
Mon, 11/20	Assignment 4
Fri, 12/1	Quizzes 8-11; Exercises 11-14; Exam 3
Wed, 12/6	Final Exam