

CENTRAL MICHIGAN UNIVERSITY
MASTER OF SCIENCE IN ADMINISTRATION

I IDENTIFYING INFORMATION:

Course: MSA 602: Financial Analysis, Planning and Control

CRN: **22365055**

Location: CMU Campus

Course Dates and Times: Mondays March 11 thru April 29, 2019

5:30 to 10:20 p.m.

Room 229 Rowe Hall

Instructor Contact Information:

Home phone number: (517) 669 5569

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Availability: By phone Mondays thru Thursdays 1:00 p.m. to 4:00 p.m. or by appointment in person.

Instructor with Academic Biography:

Dr. James S. Neubecker received his undergraduate degree in accounting from Michigan State University. He received two graduate degrees from Central Michigan University; one in Educational Administration, the other in Business Administration, with a major emphasis in Accounting. He received his doctorate in public administration from Western Michigan University. He has also taken courses in Data Processing. He has served on a number of professional committees with the American Institute of Certified Public Accountants, Michigan Association of CPAs, and Central Michigan University and Ferris State University.

In addition to the formal degree programs, Dr. Neubecker is a Certified Public Accountant and a Certified Internal Auditor.

Prior to becoming a full-time faculty member at CMU, Dr. Neubecker was employed as the Deputy Auditor General for the Michigan Auditor General. Prior to that he was an Audit Division Administrator with the Office of the Auditor General, Lansing, Michigan. Currently, Dr. Neubecker is an Assistant Professor within the MSA program for Central Michigan University.

He has worked as an adjunct instructor for Aquinas College, Grand Rapids, Michigan; Central Michigan University, and Western Michigan University, Kalamazoo, Michigan. He frequently is a guest speaker at accounting seminars sponsored by the professional associations, and is active in business consulting and training for various entities.

Prerequisites: Accounting competency (ACC 201 or ACC 203 or equivalent course)

II TEXTBOOKS AND INSTRUCTIONAL MATERIALS

Required Text:

- **Foundations of Finance**

Author: Keown, Arthur J.; Martin, John D.; and Petty, J. William
2017, 9th edition.

Book ISBN-13: 978-1-323-47485-3 (Bundle. Includes Text + MyFinanceLab) (students must purchase the bundle)

Publisher: Pearson Publishing Co.

- **MyFinanceLab** is also required and is to be used for extra practice homework exercises, problems, quizzes and writings. Be sure you take advantage of this excellent resource. There are quizzes provided for every chapter we will use in the course. This makes for an ideal source to prepare for the 2 examinations used in this course.

A **financial calculator** should be brought **into each class period** to facilitate in-class problems and exercises. **Also, it is essential that you bring a calculator to class on test days.**

PowerPoint Slides supporting all lectures: provided by Pearson and edited specifically for this class will be available on Blackboard, approximately one week before the course begins.

Highly Recommended, but not required: Note Supplementary Text is cited in homework assignments right along the pertinent CMU Hybrid text materials for ease of finding extra help in the Dixon text. The Dixon text will not be discussed in class; it simply is an ideal reference tool for those who are concerned about their accounting and finance background.

- Dixon, Robert L.; Arnett, Harold E., The McGraw-Hill 36-Hour Accounting Course, 4th Edition, McGraw-Hill, Inc. 2007 ISBN: 978-0-07-148603-3

Other Materials: Handout materials to be provided by instructor and center

Optional Materials: Reading current business newspapers and periodicals

III COURSE DESCRIPTION

Study of financial analysis, planning and control techniques/methods, emphasizing mechanisms used to determine the overall financial health of private, public and non-profit organizations. This course may be offered in an on-line format.

IV COURSE GOALS AND OBJECTIVES

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

1. Appraise an organization's financial health by evaluating data derived from management and managerial accounting practices and functions.
2. Compare the similarities and differences between the financial objectives of private, public, and non-profit organizations.

3. Assess, interpret, and understand financial statements and information to determine an organization's financial position and health.
4. Apply and evaluate analytical models used to evaluate financial performance.
5. Investigate the roles that budgeting play in financial decision-making for long-term and short-term financial planning.
6. Examine various sources of capital and how funds are raised by organizations.
7. Recommend and apply strategies and principles of financial management to the allocation of funds to secure the long-term profitability and/or goal attainment of organizations.
8. Incorporate the use of finance and accounting tools and principles into organizational analysis.

V METHODOLOGY

Classroom time will be used to explain key concepts from the assigned text chapters, handouts, and supplemental readings. In addition we will go over each and every question, exercise or problem assigned. Numerous illustrations of actual for-profit business and not-for-profit entities will be used during lectures as well as those provided by the students' own individual backgrounds to help each student understand the realities of the business community and how the objectives of the course are used daily in business.

VI. COURSE OUTLINE AND ASSIGNMENTS

Week	Topic(s)	Reading(s)	Task(s) Due
0	Getting Started!	- Syllabus & tutorials	- Pre-class tasks - Register MyLab - Get to know each other
1 (March 11)	1. An Introduction to the Foundations of Financial Management 2. The Financial Markets and Interest Rates	- Chapters 1 & 2	- Homework for week 1 due beginning of class. Answer review questions 1-1 thru 1-10 found on page 20 of the text. Become familiar with the key terms on page 19 of the text. Go into MyFinanceLab and begin to become familiar with its content. Self study quizzes will be given during each class period. There are no points for these quizzes; rather they are to build confidence. Become familiar with key terms found on pages 47-8 Complete review questions 2-1, 2-2, 2-4, 2-5, 2-6, 2-7, 2-10, 2-11,2-13, and 2-14, on page 50

			<p>Chapter 2 quiz given during class to build confidence.</p> <p>Topic Report #1 introduced.</p>
<p>2 (March 18)</p>	<p>3. Understanding Financial Statements and Cash Flows 4. Evaluating a Firm's Financial Performance</p>	<p>- Chapters 3 & 4</p>	<p>- Homework for week 2 due at beginning of class.</p> <p>- Complete Mini Case found on page 21</p> <p>Complete study problems 2-1, 2-3, 2-11, and 2-12, found on pages 50 and 51.</p> <p>Become familiar with the key terms on page 85</p> <p>Answer review questions 3-1, 3-2, 3-3, 3-5, 3-6, 3-8, 3-9, 3-11, found on pages 88-9.</p> <p>Ch. 3 quiz given in class to help build confidence</p> <p>Become familiar with the key terms found on pages 139-140</p> <p>Answer review questions found on page 141: 4-1 thru 4-5, 4-8, 4-10 and 4-11</p> <p>Exercises, problems and quizzes found on MyFinanceLab, as needed</p>
<p>3 (March 25)</p>	<p>5. The Time Value of Money</p>	<p>- Chapter 5</p>	<p>Homework week 3 due at beginning of class</p> <p>Complete study problems 3-1, 3-2, and 3-6 on pages 89-91</p> <p>Complete study problems 4-6, 4-9, and 4-15 on pages 143-147.</p> <p>Answer text questions 5-1 thru 5-5 found on page 187</p> <p>Oral Presentations</p> <p>Topic Report #2 introduced.</p>

<p>4 (April 1)</p>	<p>12. Determining the Financing Mix</p>	<p>Chapter 12</p>	<p>Homework is due at beginning of class. Answer review questions from page 439: 12-1, thru 12-5, 12-10, 12-12, and 12-14</p> <p>Complete study problems 5-1, 5-4, 5-5, and 5-21 found on pages 187 thru 189</p> <p>Oral Presentations</p> <p>Test 1 over Chapters 1 thru 5, 12 in class.</p>
<p>5 (April 8)</p>	<p>7. The Valuation and Characteristics of Bonds</p> <p>The valuation and Characteristics of Stock</p>	<p>Chapter 7</p> <p>- Chapter 8</p>	<p>Become familiar with the key terms on page 260</p> <p>Answer review questions from page 263: 7-1 thru 7-5, 7-7 thru 7-9</p> <p>Answer review questions 8-1 thru 8-5, and 8-8 from page 290.</p> <p>Become familiar with key terms on page 357</p>
<p>6 (April 15)</p>	<p>10. Capital-Budgeting Techniques and Practice</p>	<p>Chapter 10</p>	<p>- Homework Discussion 6 Chapter 7, Complete study Problems 7-1, 7-2, and 7-9, from pages 264 and 265.</p> <p>Complete study problems 8-3, 8-4, 8-9, 8-10, 8-20, and 8-25 found on pages 291-292</p> <p>Answer review questions 10-1 thru 10-6, 10-8 and 10-9 found on page 359.</p> <p>Become familiar with key terms found on page 436-437</p> <p>Oral Presentations</p> <p>Topic Report #3 introduced.</p>

<p style="text-align: center;">7 (April 22)</p>	<p>Chapter 10</p> <p>13. Dividend Policy and Internal Financing</p>	<p>-Chapters 10 and 13</p>	<p>- Homework Discussion 7</p> <p>Complete study problems 10-2, 10-4, 10-6 found on pages 359-360. Become familiar with key terms found on pages 459-461</p> <p>Answer review questions from page 461-462: 13-1 thru 13-4, 13-6 thru 13-10 from pages 461-462.</p> <p>Oral Presentation</p> <p>- Research Paper</p>
<p style="text-align: center;">8 (April 29)</p>	<p>14. Short-Term Financial Planning</p>	<p>- Chapter 14</p>	<p>- Homework Discussion 8</p> <p>Complete study problems 13-1, 13-3, and 13-13 found on pages 462-464.</p> <p>Oral Presentation or Topic Discussion 2</p> <p>Answer review questions, Chapter 14, questions 14-1 thru 14-4, from pages 478 and 479.</p> <p>- Test 2, Chapters 7, 8, 10, 13 and 14.</p>

VII CRITERIA FOR EVALUATION

Type of Performance and Evaluation Criteria:

I. Topic Discussion Report: During Weeks One, Three and Seven, a topic will be introduced for discussion. Students will complete the assignment by the due date. Each of the 3 topic Discussion Reports is worth 50 points.

II. Weekly Homework Discussion: Each student is expected to come to class prepared to enter the scholarly discourse in class.] Sitting in class and texting is not considered participating. Those students will receive a zero for class discussions.

III Exams: There are exams in this course: Test 1 and Test 2. Each exam has three parts. Part I has 10 multiple-choice questions, for a total of 100 points. Part II of test 1 are definitions. You will answer 10 of 12 definitions. Each definition is worth 10 points for a total of 100 points for part II. Part III has three problems that required analysis, calculations, and essay responses. Each exam will be completed in class. You will choose to complete 2 of the three problems. Each problem is worth 50 points, thus part III of the test is worth 100 points. Each test is worth 300 points.

Grades: The grades for this course will be based upon the tests, participation, oral presentation and topic discussions report.

The point distribution is given below:

Category	Description	Point(s)	%
Test 1	Chapters 1,2,3,4,5, 12	300 points	30%
Test 2	Chapters 7, 8,10,13,14	300 points	30%
Class Participation Discussions	Participation points are recorded at the end of week 4 and week 8, at 50 points for weeks 1-4 and 50 points for weeks 5 -8.	100 points	10%
Oral Presentations		150 points	15%
Topic Report	3 at 50 points each	150 points	15%
	Total:	1,000 points	100%

The **quality** of class participation and homework assignments will be taken into consideration in those cases where your total point score falls in-between two grades. (More discussion on this point in the first class period.)

Grading Scale: The grading scale I use is relatively simple:

A	From 94 to 100%
A-	From 90 to 93%
B+	From 87 to 89%
B	From 83 to 86%
B-	From 80 to 82%
C+	From 77 to 79%
C	From 73 to 76%
E	Below 73%

Late Assignments: On rare occasions a student’s professional responsibilities dictate and must come before classwork. If this happens in your case, you must first clear with me before assuming it is acceptable to turn in an assignment late. In any case, you will be held responsible for all course content, whenever you must be away from class.

Please note: Acceptance of late assignments are at the discretion of the instructor. But, in any case late assignments carry a minimum penalty of 10 points. No late assignments will be accepted after 7 days from the original due date.

Make-Ups and Rewrites: If you need to be away from class on a test night, you must first clear with me before assuming you may make-up the test at a later date. In the case of an emergency, you may leave a message on my phone, e-mail me, or leave a message at the MSA office with Christina Prout.

Attendance Policy: Attendance is optional, although strongly encouraged.

Class Participation: It is expected that every student will participate vigorously in the intellectual discussions commonly experienced in graduate education. Positive contributions to classroom

participation will be considered when students are receiving their final grade. For example, a strong classroom participation could bring your grade up from a B+ to an A+, a B- to a B, etc.

It is critical to the success of this program that you complete all reading assignments, prior to coming to class. Without advance reading and preparation, you, the student, will find it very difficult, if not impossible, to keep up with the rest.

Extra Credit: Not applicable.

Incomplete: The (I) Incomplete is a temporary grade used in cases when a student is unable to complete course requirements because of illness or other justifiable circumstances. An (I) Incomplete is assigned in cases in which the student has completed satisfactorily the major portion (50%) of the course requirements and has the ability to complete the remaining work without re-reregistering for the course. Further information on (I) Incomplete can be found in the current edition of the Graduate Bulletin.

Copies of Assignments: Attention CMU students: It is your responsibility to retain a copy of any materials that you mail or hand in to a center or to your instructor. This includes, but is not limited to, exams, assignments, cases, or reports.

Classroom Civility: Each CMU student is encouraged to help create an environment during class that promotes learning, dignity and mutual respect for everyone. Students who speak at inappropriate times, sleep in class, display inattention, take frequent breaks, interrupt the class by coming to class late, engage in loud or distracting behaviors, use cell phones or pagers in class, use inappropriate language, are verbally abusive, display defiance or disrespect to others, or behave aggressively toward others could be asked to leave the class and subjected to disciplinary action under the Code of Student Rights, Responsibilities and Disciplinary Procedures.

VIII SUPPORT SERVICES AND OTHER REQUIREMENTS

Library: *CMU offers you a variety of library services. Don't hesitate to avail yourselves of the many fine services the library offers you. It is expected that students will be using the library for references purposes in order to complete their oral presentations and research paper. If you feel the library will have to order material through inter-library loan, be sure to give them adequate time to meet your schedule.*

Academic Dishonesty: *Written or other work that a student submits must be the product of her/his own efforts. Plagiarism, cheating and other forms of academic dishonesty, including dishonesty involving computer technology, are prohibited. Plagiarism can include acts of both commission and omission. Thus, submission of un-cited work, even if it is not the student's intent to plagiarize, can result in severe penalties. Students and instructors are referred to the Policy on Academic Integrity in the current edition of the Graduate Bulletin.*

ADA: *CMU provides individuals with disabilities reasonable accommodations to participate in educational programs, activities and services. Students with disabilities requiring accommodations to participate in class activities or meet course requirements should contact Student Disabilities Services, 120 Park, 989-774-3018.*

IX BIBLIOGRAPHY

Supplementary Texts: (Note: Students need not buy; instructor will provide through lecture important portions of the supplementary texts.)

Louderback, Joseph G. III and Holmen, Jay S. *Managerial Accounting* (10th Edition) Boston: Thompson Publishing Company 2003

Handout materials, as assigned and distributed throughout the semester by your instructor.

Bragg, S. M., & Roehl-Anderson, J. M. (Eds.). (2011). *The controller's function: The work of the managerial accountant* (4th ed.). Hoboken, NJ: Wiley.

Droms, W. G., & Wright, J. O. (Eds.). (2010). *Finance and accounting for nonfinancial managers: All the basics you need to know* (6th ed.). New York, NY: Basic Books.

Epstein, M. J., Manzoni, J. F., & Davila, A. (Eds.). (2010). *Performance measurement and management control: Innovative concepts and practices*. Bingley, England: Emerald.

Gregoriou, G. N., & Finch, N., (Eds.). (2012). *Best practices in management accounting*. New York, NY: Palgrave Macmillan.

Macintosh, N. B., & Quattrone, P., (Eds.). (2010). *Management accounting and control systems: An organizational and sociological approach* (2nd ed.). Hoboken, NJ: John Wiley & Sons.

Financial Management: Baker, H. K., Singleton, J. C., & Veit, E. T. (Eds.). (2011). *Survey research in corporate finance: Bridging the gap between theory and practice*. Oxford University Press.

Beneplanc, G., & Rochet, J. (Eds.). (2011). *Risk management in turbulent times*. New York, NY: Oxford University Press.

Helbaek, M., Lindest, S., & McLellan, B. (Eds.). (2010). *Corporate finance*. New York, NY: Open University Press.

McMillan, E. J. (2010). *Not-for-profit budgeting and financial management* (2nd ed.). Hoboken, NJ: Wiley.

Peterson, S. P. (2012). *Investment theory and risk management*. Hoboken, NJ: Wiley.

Sagner, J. S. (2011). *Essentials of working capital management*. New York, NY: Wiley.

Vernimmen, P. (Ed.). (2011). *Frequently asked questions in corporate finance*. Chichester, England: Wiley.

Watson, D., & Head, A., (Eds.). (2010). *Corporate finance: Principles and practice* (5th ed.). Harlow, England: Financial Times/Prentice Hall.