

## Proposal to Modify Finance Investments Track Required Classes

### Finance Investments Track Department of Finance

#### Brief Description of Change

The Finance Department proposes to drop FIN 4030 -- Financial Statement Analysis as a required course in the Investments Track and add ~~FIN 4050~~<sup>4500</sup> -- Behavioral Finance or ACC 3000 -- Intermediate Accounting as a requirement.

#### Rationale for Change

In a separate proposal, the Finance Department is making FIN 4030 - Financial Statement Analysis a required course for all Finance majors. Because FIN 4030 will become a required course for all FIN majors, we need to drop it as a requirement in the Investments Track, and we wish to replace it with "FIN 4500 or ACC 3000" as a requirement in the Investments Track.

Current requirements	Proposed Requirements
<b>Business Administration: Finance: Investments Track</b>	<b>Business Administration: Finance: Investments Track</b>
<p>This track is designed to prepare students to take the CFA® Level I exam.</p> <p><b>15 hours including:</b>            FIN 3180 - Financial Institutions            FIN 3200 - Intermediate Financial Management            FIN 3210 - Investments I            FIN 4120 - International Finance            FIN 4210 - Investments II</p> <p><b>3 hours from:</b>            FIN 4230 - Financial Management OR            BUS 3900r - Internship</p> <p><b>9 hours including:</b>            FIN 4030 - Financial Statement Analysis            FIN 4910 - Derivative Securities            FIN 4880 - Seminar in Portfolio Management</p>	<p>This track is designed to prepare students to take the CFA® Level I exam.</p> <p><b>15 hours including:</b>            FIN 3180 - Financial Institutions            FIN 3200 - Intermediate Financial Management            FIN 3210 - Investments I            FIN 4120 - International Finance            FIN 4210 - Investments II</p> <p><b>3 hours from:</b>            FIN 4230 - Financial Management OR            BUS 3900r - Internship</p> <p><b>9 hours including:</b>  <del>FIN 4030</del><sup>4500</sup> - Behavioral Finance or            ACC 3000 - Intermediate Accounting I            FIN 4910 - Derivative Securities            FIN 4880 - Seminar in Portfolio Management</p>

Economic and Pedagogical Consequences

No economic or pedagogical impacts from this proposal are anticipated. Enrollment in FIN 4500 might increase, but the course will be taught on a regular basis by a full-time faculty member in the Finance department. The above proposal is anticipated to have no change on the ACC 3000 course.

Relation and Requirements to other Departments/Programs

The above proposal will entail no additional requirements or resources, either within the College of Business or within the University.

THE  
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COLLEGE of BUSINESS

Department of Finance

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Fall 2014

**Course:** FIN 4030                      **Section:** 0                      **CRN:** 46732

**Title:** Financial Statement Analysis

**Credit:** 3 hours

**Schedule:**    **Time:** 1:40 pm – 2:55 pm    **Days:** TR    **Location:** FLET 210

**Faculty:**    **Instructor:**                      Dr. Christopher M. Brockman  
                  **Office Location:**                      412-K Fletcher Hall  
                  **Office Phone:**                              423-425-1750  
                  **Office Hours:**                                TR 8:15-11:15  
                  **Email Address:**                              [Chris-Brockman@utc.edu](mailto:Chris-Brockman@utc.edu) (Immediate response)

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**Prerequisites/Corequisites:** ACC 3010 or ACC 3120, FIN 3020, senior standing, or department head approval.

**Course Description:** Techniques of financial statement analysis with special attention paid to the balance sheet and the income statement. Emphasis on current position, profitability, and financial structure of the firm.

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**Required Text:** *Financial Reporting and Analysis*, 13<sup>th</sup> edition by Charles H. Gibson. South-Western, Cengage Learning. ISBN 9781133188797.

**Recommended Materials:** Financial calculator - Texas Instrument BAII Plus.

**Evaluation/Assessment:** Grade components will consist of the following:

Exams	70%
Assignments/Quizzes	30%

**Grades will be assigned as follows:**

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

**Course Learning Outcomes:**

- Compile and connect the major financial statements.
- Account for the impact that financial accounting measures and theory concepts have on financial statements.
- Adjust the financial statements for the impact that changing business events and activities have on them.
- Evaluate these impacts from the perspective of ratios and other analytical tools.
- Perform a detailed analysis of the financial statements.
- Develop critical thinking skills in the analysis of the financial statements.

**Class Participation/Attendance Policy:** Attendance will not be taken, but it is imperative that you keep up with the material. The best way to do this is by attending every class. If you miss a class, it is the student's responsibility to contact the instructor or a fellow student to obtain assignments, notes, announcements, etc. Students are expected to be prepared for each class. This includes reading the chapters, doing practice problems, and participating in class discussions.

**Late Assignment Submission/Make-up Policy:** No make-up or extra credit work will be given or accepted. No late work will be accepted. It is the student's responsibility to notify the instructor of any illness, injury, emergency, or other problem that arises that causes you to miss a graded activity. This should be done prior to the class or graded activity. If prior notification is not possible, then you must notify the instructor as soon as possible.

**Class Format:** This will be a lecture based class, but it will also involve in-class analysis and problem solving.

**Exams:** There will be three in-class exams, one being a non-comprehensive Final. Exams will consist of multiple-choice questions, short answer, essay, and other types of problems.

**Homework/Quizzes:** Homework problems might occasionally be assigned either from the end of the chapter questions or from other sources. Quizzes might occasionally be given.

**Communication:** To enhance student services, the University uses your UTC email address (firstname-lastname@mocs.utc.edu) for all communications. Please check your UTC email on a regular basis (at least daily). If you have problems with accessing your email account, contact the Help Desk at (423)425-4000.

**Accommodation Statement:** If you are a student with a disability (e.g. physical, learning, psychiatric, vision, hearing, etc.) and think that you might need special assistance or a special accommodation in this class or any other class, call the Disability Resource Center (DRC) at 425-4006 or come by the office, 102 Frist Hall.  
<http://www.utc.edu/disability-resource-center/>

**Counseling Center Statement:** If you find that personal problems, career indecision, study and time management difficulties, etc. are adversely affecting your successful progress at UTC, please contact the Counseling and Career Planning Center at 425-4438 or <http://www.utc.edu/counseling-personal-development-center/index.php>.

**Additional Information:** The University of Tennessee at Chattanooga does not discriminate on the basis of race, sex, color, religion, national origin, age, handicap, or veteran status in provision of educational opportunities or employment opportunities and benefits, pursuant to the requirements of Title VI of the Civil Rights Act of 1964, of Title IX of the Education Amendments of 1972, the Rehabilitation Act of 1973, the Americans With Disabilities Act of 1990, the Age Discrimination in Employment Act of 1967, and other applicable statutes. Inquiries and charges of violation of this policy should be directed to the Office of the Director for Affirmative Action, 104 Founders Hall at (423)425-4124.

**If you feel at any time during the semester that you are failing the class or not doing as well as you would like, I encourage you to come see me.**

**Honor Code:** The Honor Code is based upon the assumption that the student recognizes the fundamental importance of honesty in all dealings within the University community and that education is a cooperative enterprise between student and teacher and between student and student. Any act of dishonesty violates and weakens this relationship and lessens the value of the education that the student is pursuing. The Honor Code and the Honor Court and its procedures are detailed in the *Student Handbook*.

**UTC Honor Code Pledge:** “I pledge that I will neither give nor receive unauthorized aid on any test or assignment. I understand that plagiarism constitutes a serious instance of unauthorized aid. I further pledge that I will exert every effort to insure that the Honor Code is upheld by others and that I will actively support the establishment and continuance of a campus-wide climate of honor and integrity.”


**School Closing:** If the University is closed due to weather or other reason during a scheduled class meeting, any assignment, quiz, or exam scheduled for that day will automatically be rescheduled for the first class period in which school is open.

**Your Career Path – Meeting with Faculty:** College of Business faculty are happy to share their knowledge and experience with you as you plan for your future. If you have any questions regarding career paths in this field or interest in applying to graduate school, please feel free to meet with me (or any faculty member) during office hours or after class throughout the semester.

**Professional Organizations:** Numerous opportunities exist for students to become involved in professional organizations. Student organizations include Beta Alpha Psi (BAP) as well as a student chapter of the Financial Management Association (FMA). Professionals in the community encourage students to join them at their local chapter meetings. Google the national organization or ask faculty members for local organization’s contact information.

## Tentative Course Coverage

<b>Chapter</b>	<b>Topic</b>
<b>1</b>	<b>Introduction to Financial Reporting</b>
<b>2</b>	<b>Introduction to Financial Statements and Financial Reporting</b>
<b>3</b>	<b>Balance Sheet</b>
<b>4</b>	<b>Income Statement</b>
<b>5</b>	<b>Basics of Analysis</b>
<b>6</b>	<b>Liquidity of Short-Term Assets; Related Debt-Paying Ability</b>
<b>7</b>	<b>Long-term Debt Paying Ability</b>
<b>8</b>	<b>Profitability</b>
<b>9</b>	<b>For the Investor</b>
<b>10</b>	<b>Statement of Cash Flows</b>

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Department of Finance

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Term: Fall 2013

Course: FIN Course Number: 4500 CRN: 44808 Section: 0

Title: Behavioral Finance Credit Hours: 3

Schedule Time: 2 - 4:30PM Day(s): TH Location: FLET 321

**Contact**

**Information** Instructor: Dr. Bart I. Weathington  
Office Location: Holt 351-B  
Office Phone: (423) 425-4289  
Office Hours: 4:30 - 5:30PM TH  
Email Address: Bart-Weathington@utc.edu

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**Course Description:** This course teaches how individuals and firms make financial decisions, and how those decisions might deviate from those predicted by traditional financial or economic theory. Students explore the existence of psychological biases in financial decision-making, and examine the impacts of these biases in financial markets and other financial settings. The course examines how the insights of behavioral finance complement the traditional finance paradigm.

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**Required Text:** Behavioral Finance: Investors, Corporations, and Markets H. Kent Baker (Editor), John R. Nofsinger (Editor). ISBN: 978-0-470-49911-5

This book will be the primary source of readings for the course. I will supplement some of the material with journal articles and other material.

**Course Learning Outcomes:**

- Students will know the fundamental heuristics, cognitive errors, and psychological biases that affect financial decisions
- Students will know the basics of market inefficiency and behavioral-based pricing models
- Students will know the basics of corporate and executive behavioral finance and the behavioral influences involving investment and financing decisions
- Students will know how behavioral finance applies to individual and institutional investors' holdings and their trading endeavors
- Students will know how cultural factors and societal attitudes affect markets

**Grade Determination:** Grade components will consist of the following:

Midterm Exam	25%
Final Exam	25%
Individual Paper	25%
Review Papers	25%

<b>Grades will be assigned as follows:</b>	90 – 100%	A
	80 – 89%	B
	70 – 79%	C
	60 – 69%	D
	Below 60%	F

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## Class Schedule

**School Closing:** If the University is closed due to weather or other reason during a scheduled class meeting, any assignment, quiz, or exam scheduled for that day will automatically be rescheduled for the first class period in which school is open.

<u>Week</u>	<u>Dates</u>	<u>Topic</u>	<u>Reading for the week</u>
1	8/22	Behavioral Finance: An Overview	Chapters 1-2
2	8/29	Applications & Pedagogy	Chapters 3-5
3	9/5	Risk	Chapters 6-8
4	9/12	Behavioral Biases	Chapters 10-12
5	9/19	Behavioral Biases	Chapters 13-15
6	9/26	Behavioral Biases	Chapter 16-17
7	<b>10/3 –Exam #1</b>	--	<b>Exam #1</b>
8	10/10	Behavioral Finance Symposium	Attend Symposium
9	10/17	Decision Making	Chapters 18-21
10	10/24	Decision Making	Chapters 22-24
11	10/31	Investor Behavior	Chapters 27, 28, & 30
12	11/7	Social Influences	Chapters 34-36
13	11/14	--	Presentations

14	11/21	Current & Future Issues	Presentations
15	11/28 - Holiday	--	Thanksgiving Break
16	12/3	--	Final Exam and Paper Due by 5:00PM

*Please note that this outline is tentative. Major changes in the schedule, including exam dates, will be announced in class well in advance of the actual change.*

THE  
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COLLEGE of BUSINESS

Department of Accounting

COURSE: ACC 3000 CRN: 41435  
TITLE: Intermediate Accounting I  
CREDIT: 3 credit hours  
FACULTY: Dr. Marilyn Willis  
Office Location: Fletcher Hall 412-L  
Office Phone: 423-425-4179  
Office Hours: MWF 8:00 – 8:50 am  
Tu Th 8:00 – 9:15 am  
And by appointment  
Email Address: marilyn-willis@utc.ed

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Course Meeting Day(s) Times: 9:25 am-10:40 am Day(s): TuTh Location: FLET 311

**PREREQUISITES AND COREQUISITES:**

ACC 2010 and ACC 2020 with a minimum grade of B and MATH 1830 or MATH 1910, MGT 2110 or MATH 2100, ENGL 1020 or UHON 1020 or placement; ECON 1010 and ECON 1020 with a minimum grade of C, and junior standing; or department head approval. Differential course fee will be assessed.

**COURSE DESCRIPTION:**

The theoretical foundations and structure of accounting as they relate to the presentation of financial statements. Emphasis will be on the framework underlying financial accounting and analysis of current assets.

**COURSE LEARNING OUTCOMES:**

- Students will know the institutional framework surrounding the development of generally accepted accounting principles (GAAP), including knowledge of professional bodies that establish financial accounting standards.
- Students will know the theory of financial accounting and reporting.
- Students will know the methodologies used to report the financial position and results of operations of business entities.
- Students will know the current methods of applying GAAP to certain business events.

Specific topics covered will include:

- The conceptual framework underlying financial accounting
- The accounting information system
- The basic financial statements (balance sheet, income statement, and statement of cash flows)
- Accounting and the time value of money
- Cash and receivables
- Accounting for inventories

**EVALUATION/ASSESSMENT:**

There will be three evaluations (tests) and a comprehensive final examination scheduled during the semester. If for any reason a student cannot attend a regularly scheduled evaluation or the final examination, it is the student's responsibility to contact the professor prior to the time of the exam. E-mail is NOT acceptable unless specifically noted by professor.

**(You do not qualify to take the make-up examination simply because you missed a regularly scheduled evaluation. Only the professor can give you permission to take a makeup exam.)**

Your final grade will be determined as follows:

Test 1	100
Test 2	100
Test 3	100
Final Exam	100
Homework**	<u>100</u>
<b>Total Points</b>	<b>500</b>

**Grading Scale**

- A - 500 - 450 points**
- B - 449 - 400**
- C - 399 - 350**
- D - 349 - 300**
- Failing – 299 and below**

\*\*A total of 100 points accumulated either from WileyPlus computer assignments and/or Class assignments. There is a possible 130 points available.

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You must earn at least a C in this course to register for ACC 3010

I = may be given to a student whose work has been of passing quality and who has valid reason for not completing some requirement of the course. Removal of an Incomplete must be submitted by the instructor to the Office of Records no later than three weeks before the last day of classes in the next regular semester, or the Incomplete will become an F. The Incomplete grade will not be computed in the grade point average during the interim. Any student called to active duty in the Armed Forces of the United States may, with the permission of the instructor, be given an indefinite incomplete. The incomplete may be made up at any time or a retroactive withdrawal may be granted. (Students must contact the Director of Records for appropriate procedure.)

**CLASS PARTICIPATION/ATTENDANCE POLICY:**

Attendance is expected and students should be on time. It is disrespectful to interrupt the class by a late arrival. Please turn off your cell phone while in class.

**Every student will be assigned a class number. This number and the student's name should appear on all homework and exams.**

**LATE ASSIGNMENT SUBMISSION/MAKE-UP POLICY:**

**All written work is to be turned in when requested by the professor.** Homework should be folded neatly with Name and *Course Assigned Student Class Number* clearly written at the top of the assignment.

Homework is due when called for in class. **NO late homework will be accepted. There are no exceptions!**

#### REQUIRED TEXTBOOK/RESOURCES:

Kieso, Weygandt, and Warfield, *Intermediate Accounting*, 15<sup>th</sup> ed. (required)

Binder-ready version (with WileyPLUS)

ISBN-13 978-1-118-15964-4

OR Hardcover version

ISBN-13 978-1-118-14729-0

Other resources are available at the Student Companion Site for your textbook at this website:

<http://bcs.wiley.com/he-bcs/Books?action=index&itemId=0470587237&bcsId=6326>

Gleim *Financial Accounting: Exam Questions and Explanations* (optional)

17<sup>th</sup> ed. (with test prep software)

ISBN 978-1-581-94178-4

WileyPLUS has been integrated into Blackboard for this course.

- a) Log in to Blackboard, <http://bb5.utc.edu> or locate your Intermediate Accounting I course through your mocs learn access, and click on the course link.
  - b) Click on the link to *WileyPLUS* material (indicated by the *WileyPLUS* tab).
    1. Follow directions on the 'Launch *WileyPLUS* Link' and 'End User License Agreement' pages. (To expedite any future support needs you may have **AND TO ENSURE YOUR GRADES ARE RECORDED CORRECTLY, we recommend that you choose to share your user information with WileyPLUS. Wiley will never share this information with any outside organizations.**)
    2. Enter your registration code, or indicate that you choose to purchase online access and follow the directions. (If you have used *WileyPLUS* before and already have an account, enter your e-mail address and password and click log in. If you do not have a *WileyPLUS* account, click Create Account and follow directions.)
    3. You will be directed to your *WileyPLUS* course. To navigate back, click on the 'Return to Blackboard' tab.
- 2) Quadrille Paper (4 or 5 squares per inch) Graph paper with larger squares

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#### ACCOMMODATION STATEMENT

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#### COUNSELING CENTER STATEMENT

If you find that personal problems, career indecision, study and time management difficulties, etc. are adversely impacting your successful progress at UTC, please contact the Counseling and Career Planning Center at 425-4438.

**COURSE SCHEDULE:**

**Tentative Course Calendar\*\***

<b>Day</b>	<b>Date</b>	<b>Expected Coverage</b>
Tuesday	8/19	Introduction, Chapter 1
Thursday	8/21	Chapters 1&2
Tuesday	8/26	Chapter 2
Thursday	8/28	Chapter 3
Tuesday	9/2	Chapter 3
Thursday	9/4	Chapter 3
Tuesday	9/9	<b>Exam One (Chapters 1-3)</b>
Thursday	9/11	Chapter 4
Tuesday	9/16	Chapter 4
Thursday	9/18	Chapters 4 & 5
Tuesday	9/23	Chapter 5
Thursday	9/25	Chapter 5
Tuesday	9/30	Chapter 5 & 6
Thursday	10/2	Chapter 6
Tuesday	10/7	Chapter 6
Thursday	10/9	<b>Exam Two (Chapters 4-6)</b>
Tuesday	10/14	Chapter 7
Thursday	10/16	Chapter 7
Sunday	10/19	<b>Last day to drop with a "W"</b>
Tuesday	10/21	<b>Fall Break</b>
Thursday	10/23	Chapter 7
Tuesday	10/28	Chapter 7 & 8
Thursday	10/30	Chapter 8
Tuesday	11/4	Chapter 8
Thursday	11/6	<b>Exam 3 (Chapters 7 – 8)</b>
Tuesday	11/11	Chapter 9
Thursday	11/13	Chapter 9
Tuesday	11/18	Chapter 9
Thursday	11/20	Chapter 9
Tuesday	11/25	<b>To Be Determined - Review</b>
Thursday	11/27	<b>Thanksgiving</b>
Tuesday	12/2	Reading Day – Review?????
Tuesday	12/4	<b>Final Exam 8:00 am – 10:00 am</b>

\*\* Expected coverage and exam dates are estimates that are subject to change

**HONOR CODE PLEDGE (from the UTC Student Handbook)**

I pledge that I will neither give nor receive unauthorized aid on any test or assignment. I understand that plagiarism constitutes a serious instance of unauthorized aid. I further pledge that I exert every effort to insure that the Honor Code is upheld by others and that I will actively support the establishment and continuance of a campus-wide climate of honor and integrity.

URL for course: <http://bb5.utc.edu>. (utc id and password)

Computer Requirements for the course: Suggest - Mozilla Firefox (browser that is available free online ) is compatible with WileyPlus and Blackboard...



## **Final**

### **Proposed Department of Finance Mission Statement:**

The mission of the Department of Finance at UTC is to provide a quality education that produces academically prepared and business world ready men and women for professional careers in finance and business in a competitive global environment.

#### Department of Finance Goals:

- 1) Demonstrate a fundamental understanding of Financial Management:
  - a) Solve Time Value of Money problems
  - b) Understand the relationship between Risk and Return
  - c) Understand the principles of valuing financial and real assets
  
- 2) Demonstrate a fundamental understanding of Investments:
  - a) Calculate Portfolio Risk and Return
  - b) Calculate the composition of the optimal risky portfolio
  - c) Utilize asset valuation models
  
- 3) Demonstrate a fundamental understanding of International Finance:
  - a) Understanding and working with foreign exchange rates
  - b) Understanding techniques to manage exchange rate risk
  - c) Understanding issues related to valuing foreign projects

## Finance Curriculum Map (Revised 03-03-14)

Objectives	FIN 3020 (Principles)	FIN 3180 – Fin. Institutions	FIN 3200 – Intermed. Fin Mgt	FIN 3210 – Investments I	FIN 4210 – Investments II	FIN 4120 – Int'l. Finance	FIN 4230 – Financial Mgt
1a) Time Value of Money	I		P	P	C	P	C
1b) Risk & Return	I	I	P	P	C	P	C
1c) Valuation of Assets	I		P	P	C	P	C
2a) Calculate Portfolio Risk and Return	I			P	C		C
2b) Calculate optimal risky portfolio				C			
2c) Utilize Asset Valuation Models	I		P	P	C		C
3a) Foreign exchange rates	I	I				C	
3b) Exchange rate risk management		I				C	
3c) Global Project Valuation						C	

Legend:

I

Introduced

P

Practiced

C

Competency