Course Syllabus
T55 ETEM 507-01, Financial Principle of the Company, Spring 2020
The Henry Edwin Sever Institute | James McKelvey School of Engineering
Washington University in St. Louis

COURSE OVERVIEW

Demystify the fiscal management practices and financial statements of the company. There is a story behind every set of financial data. This course examines the underpinnings of financial accounting and management, including financial reporting processes and uses of accounting data, links between accounting information and management planning, decisions and controls. The course will introduce financial concepts and principles, walk through industry examples, as well as give the student the opportunity to perform and evaluate financial analysis both individually and in group exercises.

INSTRUCTOR OVERVIEW

Roger W. Loesche, CPA
loescher@wustl.edu | Cell: (314) 581-6391

- Most Recently - Vice President and CFO, Kozeny-Wagner, Inc. (Retired)
- With degrees from Webster University and St. Louis University, and with over 40 years of industry experience in construction, publishing, architecture and engineering, the Instructor is committed to creating a superior learning environment for students with a minimal background in finance.

LEARNING OBJECTIVES

- Provide basic understanding of financial accounting concepts
- Understand the managerial applications of financial data
- Prepare students for the more advanced, discipline-specific courses

CLASS MEETING

Time: Wednesday, 6:00 pm to 9:00 pm
Location: Crow Hall, Room 206

CLASS TEXTS / MATERIALS / TOOLS

Required:
   ISBN:978-0134083285
GRADE COMPOSITION:

<table>
<thead>
<tr>
<th>Major Coursework Components</th>
<th>Component Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Participation and Attendance</td>
<td>5%</td>
</tr>
<tr>
<td>Weekly Individual Presentations and Periodic Quizzes</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>(15% for TWIAF and 5% each Quiz)</td>
</tr>
<tr>
<td>Mid-Term Exam</td>
<td>30%</td>
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<tr>
<td>Final Exam</td>
<td>30%</td>
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</tbody>
</table>

COURSEWORK COMPONENTS DESCRIPTION

**Weekly Individual Presentation (TWIAF):**
These weekly presentations will require students to research a specific, student-chosen current topic in accounting, finance, marketing, investing, compliance, business ethics, capital markets, or international business. Student teams will be required to make a 15-minute presentation to the class outlining the results of the research with emphasis on the conclusions drawn by the students from the research. Topics will be approved by the instructor.

**Periodic Quizzes:**
Short quizzes of material current topical to the readings and lectures will be held to encourage participants in the class to remain up to date with the course material. There will be four quizzes during the semester.

**Mid-Term Exam:**
This exam will cover the material examined in the class up to the date of the exam. It is cover material in the text, material in the weekly presentations, and material in the assignments. Students may not use any material during the examination not expressly allowed by the Instructor. All

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students will be required to have a calculator available during the examinations as cell phone use is not permitted.

**Final Exam:**
This exam will cover the material examined in the class from after the Mid-Term Exam to the end of the class. It is cover material in the text, material in the weekly presentations, and material in the assignments. Students may not use any material during the examination not expressly allowed by the Instructor. All students will be required to have a calculator available during the examinations as cell phone use is not permitted.

**GRADE POLICIES:**
- **Attendance**
  - As participants in a professional, graduate program, all students are expected to conduct themselves in a professional manner. This includes being on time for classes and meetings, being prepared to discuss the topical content for the class, and participating in class discussions, group activities, and projects. The level of professionalism and participation you exhibit throughout the course will impact your final grade.
  - Any student who must miss a class session should contact the instructor prior to the session if possible. Students missing a class remain responsible for all material covered in that session.

- Students who are not available on a scheduled examination date will be required to make the necessary arrangements to have the exam proctored no later than one week after the scheduled exam date. Failure to the exam within one week of the scheduled date may result in an incomplete grade for the class.

**Grading Scale:**

<table>
<thead>
<tr>
<th>Letter Grade</th>
<th>%</th>
<th>Points Toward GPA</th>
<th>Letter Grade</th>
<th>%</th>
<th>Points Toward GPA</th>
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</thead>
<tbody>
<tr>
<td>A+</td>
<td>≥ 97%</td>
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<td>C+</td>
<td>77% - 79.9%</td>
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<tr>
<td>A</td>
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<td>C</td>
<td>73% - 76.9%</td>
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<tr>
<td>A-</td>
<td>90% - 92.9%</td>
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<td>C-</td>
<td>70% - 72.9%</td>
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<tr>
<td>B+</td>
<td>87% - 89.9%</td>
<td>3.3</td>
<td>D+</td>
<td>67% - 69.9%</td>
<td>1.3</td>
</tr>
<tr>
<td>B</td>
<td>83% - 86.9%</td>
<td>3.0</td>
<td>D</td>
<td>65% - 66.9%</td>
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<tr>
<td>B-</td>
<td>80% - 82.9%</td>
<td>2.7</td>
<td>F</td>
<td>&lt; 64.9%</td>
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# COURSE SCHEDULE

<table>
<thead>
<tr>
<th>Session #/Date</th>
<th>Topics</th>
<th>Readings (Textbook)</th>
<th>Classroom Activities</th>
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</thead>
<tbody>
<tr>
<td>#1 - 1/15/20</td>
<td>Introduction to Financial Management</td>
<td>Chapter 1</td>
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<tr>
<td>#2 - 1/22/20</td>
<td>Financial Markets</td>
<td>Chapter 2</td>
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<tr>
<td>#3 - 1/29/20</td>
<td>Understanding Financial Statements</td>
<td>Chapter 3</td>
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<tr>
<td>#4 - 2/5/20</td>
<td>Managing Direct and Overhead Expenses</td>
<td>Chapter 3</td>
<td>TWIAF Presentation Quiz #1</td>
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<td></td>
<td>Economic Depreciation Theory</td>
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<tr>
<td>#5 - 2/12/20</td>
<td>Measuring and Evaluating Financial Performance</td>
<td>Chapter 4</td>
<td>TWIAF Presentation</td>
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<tr>
<td></td>
<td>Financial Statement Metric Analysis</td>
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<tr>
<td>#6 - 2/19/20</td>
<td>Measuring and Evaluating Financial Performance</td>
<td>Chapter 4</td>
<td>TWIAF Presentation</td>
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<tr>
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<td>Financial Statement Metric Analysis</td>
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<tr>
<td>#7 - 2/26/20</td>
<td>General Tax Considerations in Business</td>
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<td>TWIAF Presentation Quiz #2</td>
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<td>Mid-Term Review</td>
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<td>#8 - 3/4/20</td>
<td>MID-TERM EXAM</td>
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<td>3/11/20</td>
<td>NO CLASS – SPRING BREAK</td>
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<tr>
<td>#9 - 3/18/20</td>
<td>The Time Value of Money in Financial Transactions</td>
<td>Chapter 5</td>
<td>TWIAF Presentation</td>
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<tr>
<td>#10 - 3/25/20</td>
<td>Measurement of Business and Financial Risk and Return</td>
<td>Chapters 6</td>
<td>TWIAF Presentation Quiz #3</td>
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<tr>
<td>#11 - 4/1/20</td>
<td>The Valuation and Characteristics of Stocks and Bonds</td>
<td>Chapters 7 &amp; 8</td>
<td>TWIAF Presentation</td>
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<tr>
<td>#12 - 4/8/20</td>
<td>Determining a Firm’s Cost of Capital</td>
<td>Chapter 9</td>
<td>TWIAF Presentation</td>
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<tr>
<td>#13 - 4/15/20</td>
<td>Determining the Financing Mix</td>
<td>Chapter 12</td>
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<tr>
<td>#14 - 4/22/20</td>
<td>International Business Finance</td>
<td>Chapter 16</td>
<td>Quiz #4</td>
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<td>Final Exam Review</td>
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<tr>
<td>TBA</td>
<td>FINAL EXAM</td>
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**NOTE 1:** The readings listed are preparatory for the lectures. Please have the selected chapters read and reviewed prior to the class.
I. POLICIES TO BE INCLUDED AT THE INSTRUCTOR’S DISCRETION

Use of Laptop Computers and Electronic Devices in the Classroom
Laptop & tablet computers, smart phones and other electronic devices can be helpful in taking notes, providing tools for course exercises and referencing course related materials. Use of these devices is permitted during class except during exams and quizzes. Use of the devices is limited to functions relative to this class. Use for other classes, social media and texting, or other personal uses of the devices is not permitted except during schedule class breaks.

As mentioned earlier this course is part of a professional, graduate program. It is expected that students conduct themselves in a professional manner. This includes being engaged in the class proceedings, by attentive listening, critical thinking, asking appropriate questions and participating in active discussion. Your attendance and participation in class is important for the class and is expected to be more than just physical attendance. Engaging in non-class related activities during class time is not acceptable and disrespectful of the lecturer and other students.

Privacy and Security
Recording of class sessions either audio or video is prohibited without permission from the instructor and the other class members.

Collaboration:
Except for your team projects, all assignments are to be completed on your own. You are encouraged to discuss ideas and techniques broadly with other class members, but all written or presentation work, whether in preliminary or final form, is to be generated by you working alone. If in doubt - ask.

Language Sensitivity
When in the classroom, all students should always speak English. While meeting with classmates on a classroom project, speak a language that every student present (in your group) understands, without exception.

Professionalism:
You are part of a professional, graduate program. Consequently, it is expected that your fellow students conduct yourselves in a professional manner. This includes being on time for classes and meetings, being prepared, and participating in class discussions, group activities, projects, etc. The level of professionalism you exhibit throughout the course will impact your final grade. It directly affects the participation portion of the grade but is also taken into consideration in all other aspects of the course as it reflects the overall quality of professional performance.

II. SEVER/UNIVERSITY POLICIES

Ethics of Academic Integrity (SEAS)
All students in the School of Engineering & Applied Science are expected to conform to high standards of conduct. This statement on student academic integrity is intended to provide guidelines on academic behaviors which are not acceptable. Engineering courses typically have

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many problem sets assigned as homework. You are not allowed to collaborate when solving homework problems, performing lab experiments, writing or documenting computer programs, or writing reports unless the instructor specifically states otherwise.

**It is dishonest and a violation of academic integrity if:**

1. You turn in work which is represented as yours when in fact you have significant outside help. When you turn in work with your name on it, you are in effect stating that the work is yours, and only yours.

2. You use the results of another person’s work (exam, homework, computer code, lab report) and represent it as your own, regardless of the circumstances.

3. You request special consideration from an instructor when the request is based upon false information or deception.

4. You submit the same academic work to two or more courses without the permission of each of the course instructors. This includes submitting the same work if the same course is retaken.

5. You willfully damage the efforts of other students.

6. You use prepared materials in writing an in-class exam except as approved by the instructor.

7. You write on or make erasures on any test material or class assignment being submitted for re-grading.

8. You collaborate with other students planning or engaged in any form of academic dishonesty.

9. You turn in work, which is represented as a cooperative effort, when in fact you did not contribute your fair share of the effort.

10. You do not use proper methods of documentation. For example, you should enclose borrowed information in quotation marks; acknowledge material that you have abstracted, paraphrased or summarized; cite the source of such material by listing the author, title of work, publication, and page reference.

**III. WASHINGTON UNIVERSITY IN ST LOUIS SUPPLEMENTAL RESOURCES**

1. **Disability Resources:** If you have a disability that requires an accommodation, please speak with instructor and consult the **Disability Resource Center** at Cornerstone ([cornerstone.wustl.edu/](http://cornerstone.wustl.edu/)). Cornerstone staff will determine appropriate accommodations and will work with your instructor to make sure these are available to you.

2. **English writing support:** For additional help on your writing, consult the expert staff of **The Writing Center** ([writingcenter.wustl.edu](http://writingcenter.wustl.edu)) in Olin Library (first floor). It can be enormously
helpful to ask someone outside a course to read your essays and to provide feedback on strength of argument, clarity, organization, etc.

The Engineering Communication Center (http://engineering.wustl.edu/current-students/student-services/Pages/default.aspx) offers students in the School of Engineering and Applied Sciences help with oral presentations, writing assignments, and other communications projects, as well as job-search documents such as resumes and cover letters

3. **English competence**: Students are encouraged to check their grammar and spelling before submitting their written works. Although, students are free to choose whatever tools best fit their need, some of the common tools for grammar, spelling, and citing references can be found in the list below.
   b. [https://www.grammarly.com](https://www.grammarly.com) – Grammarly [Free & Paid Service]
   d. [http://www.citationmachine.net](http://www.citationmachine.net) – Citation Machine [Free & Paid Service]

4. **Bias reporting**: The University has a process through which students, faculty, staff and community members who have experienced or witnessed incidents of bias, prejudice or discrimination against a student can report their experiences to the University’s Bias Report and Support System (BRSS) team. See: [brss.wustl.edu](http://brss.wustl.edu/)

5. **Mental health service**: Mental Health Services’ professional staff members work with students to resolve personal and interpersonal difficulties, many of which can affect the academic experience. These include conflicts with or worry about friends or family, concerns about eating or drinking patterns, and feelings of anxiety and depression. See: [shs.wustl.edu/MentalHealth](http://shs.wustl.edu/MentalHealth)

6. **Sexual Harassment**: Sexual harassment is a form of discrimination that violates university policy and will not be tolerated. It is also illegal under state and federal law. Title IX of the Education Amendments of 1972 prohibits discrimination based on sex (including sexual harassment and sexual violence) in the university's educational programs and activities. Title IX also prohibits retaliation for asserting claims of sex discrimination. The university has designated the Title IX Coordinator identified below to coordinate its compliance with and response to inquiries concerning Title IX.

   For more information or to report a violation under the Policy on Discrimination and Harassment, please contact:

   **Discrimination and Harassment Response Coordinators**

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Apryle Cotton, Asst. Vice Chancellor for Human Resources
Section 504 Coordinator
Phone: 314-362-6774
Email: apryle.cotton@wustl.edu

Leanne Stewart, Employee Relations Manager
Phone: 314-362-8278
Email: leannerstewart@wustl.edu

**Title IX Coordinator**
Jessica Kennedy, Director of Title IX Office
Title IX Coordinator
Phone: 314-935-3118
Email: jw kennedy@wustl.edu

You may also submit inquiries or a complaint regarding civil rights to the United States Department of Education's Office of Civil Rights at 400 Maryland Avenue, SW, Washington, DC 20202-1100 or by visiting the U.S. Department of Education website or calling 800-421-3481.