

**University of North Carolina at Greensboro
Bryan School of Business and Economics
Department of Accounting**

ENT / FIN 200

Entrepreneurial Finance, Fall 2015

Class Time: 6:00 – 8:50 PM

Room 104 Bryan School of Business

INSTRUCTOR: Thaddeus J. Shalek, CPA, CVA, MBA

OFFICE: 329 Bryan

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OFFICE HOURS: After each class and by appointment

Note: This is difficult material and a demanding course. Be aware that homework is due every week. Assignments are often similar to math word problems.

Course Objectives:

- Demonstrate the ability to understand the financial terminology and concepts that will enable an entrepreneur to be successful. Statements which flow from the accounting process with an emphasis on the balance sheet and the income statement.
- Understand financial statements, budgeting and working capital management.
- Develop an understanding of how business organizations operate and be aware of the events which have a financial impact upon them.
- Understand the time value of money concepts.
- Contribute toward the Bryan School's commitment to information technology by requiring students to use the Internet, e-mail, word processing software and spreadsheet software where appropriate within the course.
- Facilitate the development of the student's written communication skills through an essay assignment, essay assessment and/or business memo assignments.
- Demonstrate an understanding of basic financial terminology and procedure.

Text: *Entrepreneurial Finance*, Sixth Edition. 2014. (ISBN: 13:978-0-13-314051-4) by Adelman and Marks.

A grade will be determined by:

- 2 tests: 25% each
- Exam #3 (proctored, closed-book, cumulative, departmental): 30%
- Class Attendance and Participation – 15% and Business Model submitted on November 18
- Homework 5% total

Grading Scale:

A+ = 98-100	A = 93-97	A- = 90-92
B+ = 88-89	B = 83-87	B- = 80-82
C+ = 78-79	C = 73-77	C- = 70-72
D+ = 68-69	D = 63-67	D- = 60-62
F = 59 and below		
Graduate students: any average below 70 = F		

All grades will be posted on Blackboard. It is your responsibility to make sure they are recorded correctly. Please contact me immediately if there is an error.

Honor Code: Students are expected to know and abide by the Honor Code in all matters pertaining to this course. Please do not get into trouble by violating the Honor Code. If you find yourself behind or in a difficult situation, please come to see me. Do not be tempted to cheat. When in doubt about whether or not something violates the code, ask me.

<http://academicintegrity.uncg.edu/violation/>

Student Conduct: Students are expected to know and abide by the Student Code of Conduct. Students who behave in an unprofessional manner will be dismissed from the class. “An academic community of integrity upholds accountability and depends upon action in the face of wrongdoing. Every member of an academic community—student, group/organization, faculty member, and staff—is responsible for upholding the integrity of the community.”

<http://studentconduct.uncg.edu/policy/code/> www.uncg.edu/bae/faculty_student_guidelines.pdf

Student Disabilities - (<http://ods.dept.uncg.edu/services/>) Any request for special accommodations must come through that office with the appropriate paperwork.

Attendance policy: Attendance is important so points are earned for attendance. If you do have to miss a part of a class, find out as well as you can what you missed. Get notes from a classmate as we will cover information in class that you will not find in your book. **Attendance will be taken to insure correct attendance points. You must be in class the entire time from start to finish earning attendance points.** If you are not in class, for whatever reason, you cannot earn attendance points. Class attendance and participation count for 15% of your final grade, that means 1% point+ for attendance and participation in each of the 14 classes before the final examination. Religious observance as per the information contained in this syllabus, and UNCG weather days are the only acceptable excuses for missing a class.

Homework assignments: Assignments are made on the syllabus each week – homework is to be completed in a Word or Excel document, whichever is appropriate and submitted as an attachment to an email sent to tjshalek@uncg.edu by the date and time identified on the syllabus.

Make-up Exam Policy: Make-up tests will be prepared for students with documentation.

Makeup policy for other assignments: Homework is due on the due date. No late submissions will be accepted without consultation.

Religious Observance:

1. The University allows for a limited number of excused absences each academic year for religious observances required by the faith of the student.
2. Students must notify instructors of absences in advance of the date of the religious observance. Instructors have authority to specify, via written notice to students, the amount of lead time required and may require that the nature of the religious observance be specified and the student's participation be confirmed in writing by an official of the religious organization.
3. When appropriate notice is provided by a student, the student must be granted at least two excused absences under this policy and must be allowed to make up or waive work and tests missed due to these particular absences. With regard to any test or other assignment that a student would miss due to notice of a required religious observance, faculty members may require the student to complete the test or assignment in advance of the originally scheduled date of the test or assignment. Beyond the minimum terms and limits of this policy, instructors maintain authority to establish and enforce the attendance policy for the courses they are teaching.
4. The requirement for students to make such requests for excused absences applies only to days when the University is holding class.

This class will abide by the University's policy during inclement weather as it is posted on the website or by calling 334-5000.

Other Comments:

1. I believe that your education is your primary responsibility. It is your job to prepare for and attend class. When you enter this course you and I are entering into an agreement that we both **MUST** keep – you agree to attend the class, study and do your best to learn the material and I agree to provide you with high quality material at a level that you can understand and absorb. **We will work together to make it a successful and enjoyable class.**

2. This course is required for all students who intend to earn a Minor in Entrepreneurship and are not majoring in Accounting, Finance or Entrepreneurship. The course is important to the student who wants to learn about Entrepreneurship but is not an Entrepreneurship major. The class is open to all students who are not in one of the majors above and is open to students who are not enrolled in the Bryan School. It is also very time intensive. You may find it necessary to read the textbook material more than once to fully absorb it.

3. Please note that the chapter assignments and practice sets may only represent the minimum amount of work necessary to gain an understanding of the material covered in this course.

4. There may be some opportunities for “extra credit” in this course.

5. Please bring your calculator to all classes. You may not borrow or share calculators during quizzes, tests or exams.

Date	Topic	Assignment
		R&D = Review and Discussion Questions E&P = Exercises and Problems
Aug 19	Introduction, Discuss Syllabus, Elements of Course	Read Chapter 1
	Financial and Economic Concepts Supply and Demand, Resources – Discuss your business idea, store, studio, consultancy, restaurant, bar bakery, artistry, etc., etc.	Chapter 1 Homework- R & D 3-7, E & P 7 + Prepare a 1 page description of the business that you would like to start
Aug 26	Financial Management Organizational Structure – Sole Proprietorship Partnerships, Corporations, LLC’s	Chapter 1 Homework due by Aug 26 @ 11:55 PM Read Chapter 2
	Business Plans Considerations for starting a business – Use of the SCORE Financial Plan Template	Chapter 2 Homework – R & D 4-9, E & P 5
Sep 2	Accounting Concepts The matching principle The conservatism principle	Chapter 2 Homework due by Sep 9 @ 11:55 PM Read Chapter 3
	Understanding the classification of assets, liabilities and Owner’s Equity Basic accounting matters – the basic preparation of financial information	Chapter 3 Homework – R & D 1,2,3,5, 7 , E & P 1 & 2
Sep 9	Balance Sheets, Income Statements, Statements of Cash Flows, Statement of Shareholders Equity, Understanding the	Chapter 3 – continued Chapter 3 Homework due Sep 16 @ 11:55 PM

	importance - CASH FLOW-	
	Different Financial Presentation for Sole Proprietorship, Partnership, Public Corps, etc. Review for Test . Review for EXAM	Read Chapter 4
Sep 16	Analysis of Financial Statements, Percentages, Ratios, etc.	Chapter 4 Homework- R&D 2,3,6,13,15 E & P 2
	Test #1: chapters 1, 2 & 3 – in class	Not open book
	Ratio analysis, understanding the meaning of ratios, computing ratios	Chapter 4 Homework due Sep 23 @ 11:55 PM
	Sources of comparative ratios	Read Chapter 5
Sep 23	What is Profit, Asset Turnover, Break-even point, Leverage	Chapter 5 Homework due by Sep 30 @ 11:55 PM
	Bankruptcy – different types – Chapter 11, 13 and 7	Chapter 5 Homework R & D 2,3,4,7 E&P 5 & 8 Read Chapter 6
Sep 30	Sales Forecasts, Forecasting models, assumptions, Construct pro forma financial statements, Cash Flow Budgets	Chapter 6 Homework – R&D 1,89,10,11 E&P 2
	Who will use the pro-forma financial statements – ASSUMPTIONS!!!!	Chapter 6 Homework due by Oct 7 @ 11:55 PM Read Chapter 7
Oct 7	What is Working Capital? Managing the cash flow for your business. SCORE Financial Plan Template	Chapter 7
	Should you sell on credit to customers? How does accounts receivable affect cash flow? What are current liabilities? What about payroll & payroll taxes?	Basic Business idea & list of basic assumptions due Oct14 @ 11:55 PM
Oct 14	Introduce SCORE Template – identify use for development of Business Model – identify components required for use and demonstrate how it is used to tell your story	Discuss SCORE Template Assignment
Oct 21	Detail work session – prepare your Business Model Presentation – use concepts discussed during class of Oct 15 – tell me the story of your business through the SCORE template	Special presentation – we will discuss in Oct 14 Class
Oct 28	Time Value of Money, effective interest rates and stated interest rates. Internal rates of return, present values, spreadsheet of mathematics of finance	Read Chapter 8
	Test #2: chapters 4, 5, 6 & 7 Bring a calculator to class	NOT OPEN BOOK

Nov 4	Internal rates of return, present values, spreadsheet of mathematics of finance	Chapter 9
	Time Value of Money – annuities, real life problems – business, annuity calculations –	Start SCORE Template
	Spreadsheets to understand & make calculations, PV tables	Read Chapter 10
Nov 11	Why do we need a capital budget? What are the steps necessary to prepare a capital budget?	1 st Draft of SCORE Starting Point Tab due
	Payback of capital budgeting project. Cost of Capital, Follow up. What role does the tax law play in capital budgeting? What is depreciation?	Chapter 10
Nov 18	Personal Finance – Risk as it relates to you and your business, Managing Risk	Read Chapter 11
	Insurance has an important role in the risk discussion, capital accumulation and preservation, retirement programs	SCORE Template due Nov 18
	Complete Chapter 11 Review Chapters 8, 9, 10, 11 for Exam	
Exam week	EXAM #3 – Proctored Chapters 8 – 11 6:00-8:50pm	NOT OPEN BOOK – Bring a Calculator to EXAM