# BARTON COMMUNITY COLLEGE

**COURSE SYLLABUS**

## GENERAL COURSE INFORMATION

Course Number: BUSI 1603

Course Title: Introduction to Finance

Credit Hours: 3

Prerequisite: None

Division and Discipline: Career and Technical Education

Course Description: This course provide an overview of major financial concepts in three major fields of finance; institutions, investments, financial management, and an integrated perspective on the interrelationships among them.

## INSTRUCTOR INFORMATION

## COLLEGE POLICIES

## Students and faculty of Barton Community College constitute a special community engaged in the process of education. The College assumes that its students and faculty will demonstrate a code of personal honor that is based upon courtesy, integrity, common sense, and respect for others both within and outside the classroom.

## Plagiarism on any academic endeavors at Barton Community College will not be tolerated. The student is responsible for learning the rules of, and avoiding instances of, intentional or unintentional plagiarism. Information about academic integrity is located in the Student Handbook.

## The College reserves the right to suspend a student for conduct that is determined to be detrimental to the College educational endeavors as outlined in the College Catalog, Student Handbook, and College Policy & Procedure Manual. (Most up-to-date documents are available on the College webpage.)

## Any student seeking an accommodation under the provisions of the Americans with Disability Act (ADA) is to notify Student Support Services via email at disabilityservices@bartonccc.edu.

## COURSE AS VIEWED IN TOTAL CURRICULUM

Introduction to Finance is required of those students seeking a degree in Business Management & Leadership with an emphasis in Pension Administration and Banking. The course also offers numerous practical applications for students employed in any business setting.

Transferability varies among institutions, and perhaps even among departments, colleges, or programs within an institution. Also, these requirements may change from time to time and without notification. Therefore, it shall be the student’s responsibility to obtain relevant information from intended transfer institutions during his/her tenure at Barton Community College to insure that he/she enrolls in the most appropriate set of courses for transferability.

1. **ASSESSMENT OF STUDENT LEARNING**

Barton Community College is committed to the assessment of student learning and to quality education. Assessment activities provide a means to develop an understanding of how students learn, what they know, and what they can do with their knowledge. Results from these various activities guide Barton, as a learning college in finding ways to improve student learning.

Course Outcomes, Competencies, and Supplemental Competencies:

1. Introduce the Role of Finance
2. Define what is meant by finance
3. Explain why finance should be studied
4. Describe the basic requirements in a modern financial system
5. Discuss the United States Monetary System
6. Identify the major financial intermediaries and their roles in the U.S. financial markets
7. Identify and explain measure of wealth that are traded in U.S. financial markets
8. Describe the three ways in which money is transferred from savers and investors
9. Explain possible relationships between money supply and economic activity
10. Explore Banks and Other Depository Institutions
11. Describe the differences between commercial banking and investment banking
12. Identify the functions of banks and of the banking system
13. Discuss general regulation of the banking system and how depositors’ funds are protected
14. Briefly describe the bank balance sheet and the major account categories that it contains
15. Discuss bank management in terms of bank liquidity and bank solvency
16. Describe liquidity management in terms of asset management and liabilities management
17. Briefly explain why and how bank capital is managed
18. Introduce the Federal Reserve System
19. Identify three weaknesses of the national banking system before the establishment of the Federal Reserve System
20. Describe Federal Reserve membership in terms of who must join and who may join
21. Describe the ways in which the Reserve Banks accommodate the clearance and collection of checks
22. Understand Policy Makers and the Money Supply
23. Identify the policy instruments of the U.S. Treasury and briefly explain how the Treasury manages its activities
24. Briefly summarize the factors that affect bank reserves
25. Explain the importance of finance to the effective conduct of international commerce and investment
26. Describe how the banking systems of the world facilitate the financing of sales by exporters and purchases by importers
27. Discuss International Trade and Finance
28. Show how the Export-Import Bank aids in financing international trade
29. Discuss characteristics of the international financial system
30. Understand the Savings and Investment Process
31. Briefly describe the historical role of savings in the United States
32. Describe how financial assets and liabilities are created
33. Identify the major sources of savings in the United States
34. Explain how funds flow from savings into investments
35. Discuss the Structure of Interest Rates
36. Identify and describe the factors that affect savings
37. Describe how interest rates change in response to shifts in the supply and demand for loanable funds
38. Identify major historical movements in interest rates in the United States
39. Describe what is meant by the loanable funds theory of interest rates
40. Identify the major determinants of market interest rates
41. Describe the types of marketable securities issued by the U.S. Treasury
42. Describe the ownership of Treasury securities and the maturity distribution of the federal debt
43. Explain what is meant by the term or maturity structure of interest rates
44. Identify and briefly describe the three theories used to explain the term structure of interest rates
45. Identify broad historical price level changes in the United States and other economies and discuss their causes
46. Describe the various types of inflation and their causes
47. Discuss the effect of default risk premiums on the level of long-term interest rates.
48. Understand the Time Value of Money
49. Explain what is meant by the time value of money
50. Describe the concept of simple interest
51. Describe the process of compounding
52. Describe discounting to determine present values
53. Find interest rates and time requirements for problems involving compounding or discounting
54. Describe the meaning of an ordinary annuity
55. Find interest rates and time requirements for problems involving annuities
56. Calculate annual annuity payments
57. Make compounding and discounting calculations using time intervals that are less than one year
58. Describe the difference between the annual percentage rate and the effective annual rate
59. Describe the meaning of an annuity due.
60. Discuss Bonds and Stock: Characteristics and Valuations
61. Identify the major sources of external long-term financing for corporations
62. Describe major characteristics of corporate bonds
63. Describe major characteristics of common stock
64. Describe major characteristics of preferred stock
65. Explain how financial securities are valued
66. Explain how bonds are valued
67. Explain how stocks are valued
68. Discuss the Securities Markets
69. Describe the processes and institutions used by businesses to distribute new securities to the investing public
70. Outline the recent difficulties and changes in structure of the investment banking industry
71. Describe how securities are traded among investors
72. Identify the regulatory mechanisms by which the securities exchanges and over-the-counter markets are controlled
73. Explain influences that affect broker commissions
74. Understand Financial Return and Risk Concepts
75. Describe the difference between historical and expected rates of return
76. Know how to compute arithmetic averages, variances, and standard deviations using return data for a single financial asset
77. Know the historical rates of return and risk for different securities
78. Explain the three forms of market efficiency
79. Explain how to calculate the expected return on a portfolio of securities
80. Understand how and why the combining of securities into portfolios reduces the overall or portfolio risk
81. Explain the difference between systematic and unsystematic risk
82. Explain the meaning of the beta coefficient
83. Describe the capital asset pricing mode (CAPM) and discuss how it is used

## INSTRUCTOR’S EXPECTATIONS OF STUDENTS IN CLASS

## TEXTBOOKS AND OTHER REQUIRED MATERIALS

## REFERENCES

## METHODS OF INSTRUCTION AND EVALUATION

## ATTENDANCE REQUIREMENTS

## COURSE OUTLINE