



College of Business
Division of Accounting, Finance, MIS and Economics

Governors State University is committed to offering an exceptional and accessible education that imbues students with the knowledge, skills, and confidence to succeed in a global society. GSU is dedicated to creating an intellectually stimulating public square, serving as an economic catalyst for the region, and being a model of diversity and responsible citizenship.

COURSE NO.: ACCT-7815-01

COURSE TITLE: Financial Statement Analysis

SESSION: Spring 2025 1/21/2025- 5/12/2025

CLASS TIME: **Monday Evenings on Campus - 7:30 PM**
Room TBD

CREDIT HOURS: Three (3)

PREREQUISITE: None

INSTRUCTOR: Paul Lechner, MBA, CPA, CGMA, JD, LLM

COURSE DESCRIPTION: This course focuses on the use of published financial statements in evaluating business entities. Emphasis is on the evaluation and interpretation of economic events and financial information for purposes such as making investment and credit decisions, evaluating the entity's short and long term debt payment potential and potential for cash generation and future income. Computer-based analytical tools are expected to be used throughout the course and in completing an Analysis Research Project.

INSTRUCTIONAL METHOD: This is a graduate level course. Class will be conducted using a combination of independent reading, homework/problem-solving, and exams using the **Cambridge Business Publishers "myBusinessCourse" online system**. You will access this online system either with the purchase of a new textbook (which will have an access code) or by enrolling in "myBusinessCourse" directly. See the Section Enrollment instructions attached to this Syllabus for further directions. **Blackboard's Webex** will be used for synchronous classes in the event of inclement weather or by

agreement. Your Instructor will be available to answer questions you may have as you progress through your assignments during the term. Forward a request via your GSU email for a personal ZOOM meeting and I will respond with a personal invitation and timing. During the week I monitor my office email: paul@lechnerlawgroup.com and may not immediately answer email to my GSU account. You may call my office (708.460.6686) leaving a message if I am not available. Class Handouts will be available for download at <https://lechnerlaw.com> under the Practice Areas tab and then the 'GSU' page.

PHONE NO.: Office Secretary is: Ann Nagel, anagel@govst.edu or call My Office: Paul Lechner:
Office: 708.460.6686, Cell: 708-846-4225, Fax 708-460-7995

E-MAIL: plechner@govst.edu alternate email: paul@lechnerlawgroup.com

TEXTBOOKS

1. **REQUIRED:** *Financial Statement Analysis & Valuation, 2021, 7th Edition*, by Easton, McAnally, Crawford and Sommers (Cambridge Business Publishers), ISBN 978-1-61853-625-9
2. **REQUIRED:** Online "myBusinessCourse" learning system. See attached Registration Information for this class. The online system provides an alternate eBook.
3. *Class Handouts will be posted and available for download at www.lechnerlaw.com go to 'Practice Areas' then the 'GSU' webpage.*

COURSE OBJECTIVE: This course will prepare you to interpret and analyze financial statements effectively. **It is designed for those who expect to be professionally involved in managing business investment and making credit decisions as part of their responsibilities.** It will include gathering, organizing, and analyzing data, making forecasts, projections, recommendations and using Excel models, presentations and reports.

ASSIGNMENTS

Date	Reading, eLectures, Guided Examples, and Discussions	Homework & Exams found on myBusinessCourse.com
January 27, 2025 Week 1	myBusinessCourse Reading Module 1 – Framework for Analysis and Valuation Complete reading, lectures, and Guided Review Examples	myBusinessCourse Registration Information is attached Module 1 Homework

February 3, 2025 Week 2	myBusinessCourse Reading Module 2 Review of Business Activities and Financial Statements Complete reading, electures, and Guided Review Examples	Module 2 Homework
February 10, 2025 Week 3	myBusinessCourse Reading Module 3 Profitability Analysis and Interpretation Complete reading, electures, and Guided Review Examples.	Module 3 Homework
February 17, 2025 Week 4	NO CLASS – President’s Day	Module 4 Homework
February 24, 2025 Week 5	myBusinessCourse Reading Module 4 Credit Risk Analysis and Interpretation Complete reading, electures, and Guided Review Examples	
March 3, 2025 Week 6	myBusinessCourse Reading Module 5 Revenue Recognition and Operating Income Complete reading, electures, and Guided Review Examples	Module 5 Homework
March 10, 2025 Week 7	myBusinessCourse Reading Module 6 Asset Recognition and Operating Assets Complete reading, electures, and Guided Review Examples	Module 6 Homework
March 17, 2025 Week 8	NO CLASS – Spring Break Mid Term Exam (Modules 1 to 6)	Midterm Exam
March 24, 2025 Week 9	NO CLASS – Spring Break At Home Assignment myBusinessCourse Reading Module 7 Liability Recognition and Nonowner Financing Complete reading, electures, and Guided Review Examples	Module 7 Homework
March 31, 2025 Week 10	myBusinessCourse Reading Module 8 Equity Recognition and Owner Financing	Module 8 Homework

	Complete reading, lectures and Guided Review Examples	
April 7, 2025 Week 11	myBusinessCourse Reading Module 9 Intercompany Investments Complete reading, lectures and Guided Review Examples	Module 9 Homework
April 14, 2025 Week 12	myBusinessCourse Reading Module 10 Analyzing Leases, Pensions, and Taxes Complete reading, lectures, and Guided Review Examples	Module 10 Homework
April 21, 2025 Week 13	myBusinessCourse Reading Module 11 Financial Statement Forecasting Complete reading, lectures, and Guided Review Examples	Module 11 Homework
April 28, 2025 Week 14	myBusinessCourse Reading Module 12 Cost of Capital and Valuation Basics Complete reading, lectures, and Guided Review Examples	Module 12 Homework
May 5, 2025 Week 15	myBusinessCourse Reading Overview Modules 13, 14, and 15 Cash Flow, Cash Flow, Operating, and Market Based Valuation Complete reading, lectures, and Guided Review Examples	Valuation Modules 13, 14, and 15 Homework
May 12, 2025 Week 16	Final Exam Week NO CLASS (Modules 7 -15)	Required Written Term Research Project due May 12, 2025

Changes in Syllabus: The instructor reserves the right to change or adjust any part of this syllabus as circumstances necessitate. All changes will be announced on Blackboard.

Evaluation: Course grading for homework, quizzes and exams will be maintained on “myBusinessCourse” and will be determined as follows:

	<u>Max Points Possible</u>
Module Homework Exercises	400
Exam: Midterm	200
Exam: Final	300
<u>Required</u> Research Analysis Project – Written Analysis Project	200
Class Attendance/Blackboard Discussion Board Participation	<u>100</u>

Overall Term Grade will be based on a Maximum point total of 1,000¹

The standard grading scale will be utilized in assigning course grades (A: 92-100%, A-: 89-91%, B+: 87-88%, B: 84-86%, B-: 80-83%, C+: 77-79%, C: 74-76%, C-: 70-73%, D+: 67-69%, D: 64-66%, D-: 61-63%, F 60% and below).

Attendance: An attendance sheet will be circulated in each class. Students who wish to obtain points for the attendance will need to sign in for that class on the sign in sheet. Students who fail to do so lose points for attendance that day. In the event of inclement weather or if Covid issues appear we will hold class via Blackboard's Webex. Check Blackboard for announcements!

Class Participation : The following factors will be considered in evaluating class participation:

- (1) Attend class sessions and contribute to a positive learning environment,
- (2) Ask thoughtful questions,
- (3) Participation in Blackboard discussion topics **is required**,
- (4) Present one homework assignment in class,
- (5) Prepare for reading and assignments conscientiously.

A positive learning environment results when you demonstrate respect for other students and the instructor, are courteous and attentive, assist others in learning, attend class regularly, and arrive in class on time.

Exams: Two (online) exams (Midterm and Final) will be given during the term.

Homework: Students are expected to complete assigned reading, homework exercises, and discussion board participation by the end of each week (Sunday evening).

REQUIRED TERM RESEARCH PROJECT: Students will self-select a Public Company (**and** one of its competitors in the same industry) for analysis purposes. You are to prepare a written analytical report, including tables and graphics analyzing your selected firm's most recent annual report. Your report should summarize the economics and current conditions in the industry, describe the strategies your firm pursues, **and** provide industry and competitor comparisons and contrasts. Presentation should include a profitability and risk analysis, a ratio analysis, and analysis of notes to the financial statements. Your report should be a minimum of 25 pages in length and should cover representative material discussed in this course.

Discussion Board: The following factors will be considered in evaluating discussion board participation: (1) contributing to a positive learning environment, (2) discussing thoughtful questions and giving thoughtful answers, (3) participation in discussion, (4) evidence of conscientious preparation of reading and problem assignments. A positive

¹ Note Max points by area total >1,000.

learning environment results when you demonstrate respect for other students and instructor.

Complete Assignments in a timely manner, This course *requires* you complete your weekly reading, electures, Guided examples, homework and exams in a timely manner.

Learning: You must accept primary responsibility for your own learning. The role of the instructor is to design a course and manage the overall instruction process.

Spring 2025 Syllabus Statements

UNIVERSITY MISSION STATEMENT

Governors State University (GovState) is committed to offering an exceptional and accessible education that prepares students with the knowledge, skills and confidence to succeed in a global society.

ANTI-DISCRIMINATION STATEMENT

GovState does not discriminate on the basis of race, color, national origin, age or any other illegal basis in its programs and activities. The following person has been designated to handle inquiries regarding this anti-discrimination policy: Kaitlyn Anne Wild, Director of Compliance & Ethics Officer; 1 University Parkway, G328; University Park, IL 60484; 708.534.4846; ethicsofficer@govst.edu.

DIVERSITY, EQUITY, INCLUSION, ACCESSIBILITY, AND BELONGING (DEIAB) STATEMENT

GovState is committed to supporting a welcoming, richly diverse campus community where all students, faculty, and staff thrive, feel valued, and experience a sense of belonging.

ACADEMIC HONESTY STATEMENT

Students are expected to fulfill academic requirements in an ethical and honest manner. This expectation pertains to the following: use and acknowledgement of the ideas and work of others, submission of work to fulfill course requirements, sharing of work with other students, and appropriate behavior during examinations. These ethical considerations are not intended to discourage people from studying together or from engaging in group projects. The University policy on academic honesty appears in the catalog appendix, which can be found on the website at [University Catalog \(https://catalog.govst.edu/\)](https://catalog.govst.edu/).

DISABILITY SERVICES

GovState does not discriminate on the basis of disability in admission or access to, or treatment or employment in, its programs or activities as required by federal and state law

(including Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and regulations thereunder). The following person has been designated to handle inquiries regarding this nondiscrimination policy as it relates to current and prospective students: Angela Szczepanik-Sanchez, Director of Access Services for Students with Disabilities (ASSD); 1 University Parkway, B1204; University Park, IL 60484; 708.235.3968; assd@govst.edu. Students are required to register with and, if requested, provide documentation to ASSD in order to receive appropriate reasonable accommodations for any handicap or disability. Additional information regarding ASSD, available services, and registration can be located on the University's ASSD webpage: [Disability Services Website \(https://www.govst.edu/disability-services/\)](https://www.govst.edu/disability-services/).

EMERGENCY PREPAREDNESS STATEMENT

In case of emergency, GovState's Alert System will be activated. Students should maintain updated contact information using the link on the homepage of the myGSU portal. In addition, students are encouraged to familiarize themselves with the Emergency Procedures posted in each classroom. Detailed information about the University's emergency management plan, information about how to update your contact information, and the Campus Safety Booklet can be found at [Emergency Management \(http://www.govst.edu/emergency\)](http://www.govst.edu/emergency).

STUDENT HEALTH & WELL-BEING STATEMENT

As a student, you may experience situations or challenges that can interfere with your learning and personal well-being. GovState has many resources to help with any issues you may experience. Free, confidential mental health and medical services are available on campus by contacting the Counseling & Wellness Center at 708.235.7334 or [Emergency Management \(https://www.govst.edu/emergency/\)](https://www.govst.edu/emergency/). Assistance with personal difficulties, including hunger and housing instability, is available by contacting GSU4U (<https://www.govst.edu/gsu4u>).

TITLE IX STATEMENTS

NOTICE OF ANTI-DISCRIMINATION POLICY: GovState does not discriminate on the basis of sex and prohibits sex discrimination in any education program or activity that it operates, as required by federal and state law (including Title IX and its regulations), including in admission and employment. Inquiries about Title IX may be referred to the University's Title IX Coordinator, the U.S. Department of Education's Office for Civil Rights, or both. The University's Title IX Coordinator is: Kaitlyn Anne Wild, Director of Compliance & Title IX Coordinator; 1 University Parkway, G328; University Park, IL 60484; 708.534.4846; titleixofficer@govst.edu. GovState's nondiscrimination policy and grievance procedures can be located on the University's Title IX webpage (<https://www.govst.edu/TitleIX/>). To report information about conduct that may constitute sex discrimination or to make a complaint of sex discrimination under Title IX, please refer to the information provided on the University's Title IX webpage (<https://www.govst.edu/TitleIX/>).

NOTICE REGARDING PREGNANCY AND RELATED CONDITIONS: GovState does not discriminate in its education programs or activities against any student based on the student's current, potential, or past: (1) pregnancy, childbirth, termination of pregnancy, or lactation; (2) medical conditions related to pregnancy, childbirth, termination of pregnancy, or lactation; or (3) recovery from pregnancy, childbirth, termination of pregnancy, lactation, or related medical conditions (collectively, "pregnancy and/or related conditions"). The University's Title IX Coordinator can coordinate specific actions to prevent discrimination on the basis of pregnancy and/or related conditions and ensure a student's equal access to the University's education programs and activities. The Title IX Coordinator's contact information is: Kaitlyn Anne Wild, Director of Compliance & Title IX Coordinator; 1 University Parkway, G328; University Park, IL 60484; 708.534.4846; titleixofficer@govst.edu.

USE OF GENERATIVE AI

At Governors State University, we acknowledge the growing impact of artificial intelligence (AI) on education and strive to create a learning environment that promotes innovation, academic integrity, and responsible use of technology. It is important to recognize that the AI policy may not be uniform across all Governors State University courses; students are obligated to comply with the specific rules governing each course they are enrolled in. More information on appropriate use of generative AI is located on the Governors State University Library website: [GovState - Artificial Intelligence \(AI\) - LibGuide](https://libguides.govst.edu/ai/academicintegrity) (<https://libguides.govst.edu/ai/academicintegrity>)