

EC314U:003 Public and Private Investment Analysis Syllabus, Summer 2021

Portland State is located in the traditional homelands of the Multnomah, Wasco, Cowlitz, Kathlamet, Clackamas, Watlala Bands of Chinook, Tualatin Kalapuya, Molalla, and many other indigenous nations who made their homes along the Columbia and Willamette Rivers. By recognizing these communities, we honor their legacies, their lives, and their descendants.

Instructor: Dr. Tinkler E-Mail: tinkler@pdx.edu
Class Time: Asynchronous (Meaning: no set meeting times)
Office Hours: Wed. 1-2p, and by appointment on Zoom.

Course description

This class teaches you to solve engineering, business and personal finance problems using applied economic methods that are founded in basic economic principles. Students will learn accountancy tools sufficient to assess the financial condition of a US corporation. Recommended: Junior or senior standing.

Course materials

Contemporary Engineering Economics by Chan S. Park (6th or recent edition) or *Engineering Economic Analysis*, by Newnan, Eschenbach and Lavelle. The resources available on D2L are comprehensive and may well be enough.

Deliverables (All by 11:30 pm)	Deadlines	%
6 quizzes (2 attempts/1 dropped)	Sundays, end of Weeks 1-4, 6,7	25
1 midterm (2 attempts)	Sunday, end of Week 5	15
Final exam (1 attempt)	Sunday, Aug 15	20
8 discussion boards (1 dropped)	Monday of Weeks 2-9	35
1 individual Google slide	Monday of Week 8	5

Advice for EC314

- The class gradually gets harder and peaks in Week 5
- Set early deadlines if other classes have Sunday/Monday deadlines.
- This course develops a critical competency that is life changing for some students. Fair warning: There are easier ways to get University Studies credit than taking an engineering economics course.
- Academic honesty is assumed. All else is referred to Dean of Students.

Course calendar:

Click on a "Week" under "Content" in D2L course navigation for more details. Contact me if you want more specific advice about relevant material in Park or Newnan et al. Textbook chapters are not covered in full due to time constraints.

Week 1 (Starts 6/21): Park Chs. 1, 2, and 8

Topics: Engineering economic principles, basic accounting concepts

Deliverables: Join a Company Study Discussion Group ASAP

Quiz 1 due Sunday, 6/27; Discussion 1 due Monday, 6/28

Week 2 (Starts 6/28): Park Chs. 2 and 3

Topics: Balance sheet, economic equivalence and factor notation

Deliverables: Quiz 2 due Sunday, 7/4; Discussion 2 due Monday, 7/5

Week 3 (Starts 7/5): Park Chs. 2 and 3

Topics: Income and retained earnings statements, corporate citizenship, economic equivalence (cont.)

Deliverables: Quiz 3 due Sunday, 7/11; Discussion 3 due Monday, 7/12

Week 4 (Starts 7/12): Park Chs. 2 and 4

Topics: Cash flow statement, nominal and effective interest rates

Deliverables: Quiz 4 due Sunday, 7/18; Discussion 4 due Monday, 7/19

Week 5 (Starts 7/19): Park Chs. 2, 5

Topics: Financial ratios, present and future worth, minimum acceptable rate of return (MARR), capitalized equivalent cost

Deliverables: Midterm Quiz 5 due Sunday, 7/25; Discussion 5 due Monday, 7/26

Week 6 (Starts 7/26): Park Chs. 6, 7 and Ch. 4 (bond market only)

Topics: Annual equivalent worth, capital recovery, internal rate of return, bond pricing, employment opportunities in US corporations

Deliverables: Quiz 6 due Sunday, 8/1; Discussion 6 due Monday, 8/2

Week 7 (Starts 8/2): Park Chs. 7 and 9

Topics: Modified internal rate of return (MIRR), mutually exclusive projects, depreciation and taxation

Deliverables: Quiz 7 due Sunday, 8/8; Discussion 7 due Monday, 8/9

Google Slide due to "Assignments", Monday, 8/9

Group presentation finished by Tuesday, 8/10

Week 8 (Starts 8/9): Park Chs. 10, 11 and 12

Topics: Cost-benefit analysis, inflation, real and nominal interest rates, uncertainty (expected value and decision trees)

Deliverables: Final due Sunday, 8/15; Discussion 8 due Monday, 8/16

Affirmative Action

Portland State University supports equal opportunity for all, regardless of age, color, disability, marital status, national origin, race, religion or creed, sex or gender, sexual or gender identity, sexual orientation, veteran status, or any other basis in law.

Disability Resources at PSU

Students with accommodations approved through the Disability Resource Center should contact me prior to, or during, the first week of term to discuss any accommodations. Students who believe they are eligible for accommodations but who have not yet obtained approval should contact the DRC immediately.