

Ec 314:004 (#60954) Private and Public Investment Analysis Spring 2020

I would like to acknowledge the people whose land Portland State University is built on, the Multnomah and Clackamas Peoples. It is important to acknowledge the ancestors of this place and to recognize that we are here because of the sacrifices they were forced to make. In remembering the Multnomah and Clackamas communities we honor their memory, their lives, and their descendants. We also remember that we are guests of this land and must do our best to never forget its original inhabitants.

Instructor: Dr. Sarah Tinkler
E-Mail: tinkler@pdx.edu

Term: Spring 2020
Office Hours: TBD 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

Recommended: *Contemporary Engineering Economics* by Chan S. Park (6th or recent edition) or *Engineering Economic Analysis*, by Newnan, Eschenbach and Lavelle. You may well find enough resources on D2L to avoid buying a book. Textbooks are on 2-hour reserve at the library reference desk.

Course requirements

9 Quizzes (2 attempts/1 dropped)
1 Midterm (2 attempts)
Final exam (1 attempt)
6 Company Data Boards (1 dropped)
1 individual Google slide
1 Company Study Presentation Board
1 All-Class Comments Board

Deadlines

Sundays, end of Weeks 1-6, 8-10, 11:30 p
Sunday, end of Week 7 at 11:30 p
Sunday, June 14 at 11:30 p
Monday of Weeks 2-7 at 11:30 p
Monday of Week 9 at 11:30 p
Monday of Week 10 at 11:30 p
Monday of Final's Week at 11:30 p

% Points

32
16
12
25
5
5
5

Points	Grade	Points	Grade	Points	Grade
92-100	A	80-81	B-	67-69	D+
90-91	A-	77-79	C+	62-66	D
87-89	B+	72-76	C	60-61	D-
82-86	B	70-71	C-	<60	F

Tips for Ec 314

- The class gradually gets harder and peaks in Week 7
- Set alerts on your phone for **20** online deliverables.
- Set earlier deadlines for yourself if you have other classes with Sunday/Monday deadlines.
- This course develops a critical competency that is lifechanging for some students. Fair warning: There are easier ways to get University Studies credit than taking an engineering economics course.
- Academic honesty is assumed. Academic dishonesty will be referred to the Dean of Students.

Course calendar: Click on a "Week" under "Content" in D2L course navigation for more details.

IMPORTANT: Contact me if you want more specific advice about relevant material in Park or Newnan et al.

Week 1 (Starts March 30)

- Topics: Economic and engineering economic principles (Park, Ch. 1)
- Deliverables: Join a Company Study Discussion Group
Week 1 Quiz due Sunday, April 5 at 11:30 p
Discussion 1 due Monday, April 6 at 11:30 p

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Week 2 (Starts April 6)

- Topics: Balance sheet and costs (Park, Chs. 2, 8)
- Deliverables: Week 2 Quiz due Sunday, April 12 at 11:30 p
Discussion 2 due Monday, April 13 at 11:30 p

Week 3 (Starts April 13)

- Topics: Income statement, economic equivalence and factor notation (Park Chs. 2, 3)
- Deliverables: Week 3 Quiz due Sunday, April 19 at 11:30 p
Discussion 3 due Monday, April 20 at 11:30 p

Week 4 (Starts April 20)

- Topics: Cash flows and uniform series (Park Chs. 2, 3)
- Deliverables: Week 4 Quiz due Sunday, April 26 at 11:30 p
Discussion 4 due Monday, April 27 at 11:30 p

Week 5 (Starts April 27)

- Topics: Company background and citizenship, linear and geometric gradients (Park Ch. 3)
- Deliverables: Week 5 Quiz due Sunday, May 3 at 11:30 p
Discussion 5 due Monday, May 4 at 11:30 p

Week 6 (Starts May 4)

- Topics: Financial ratios, nominal and effective interest rates (Park, Chs. 2, 4)
- Deliverables: Week 6 Quiz due Sunday, May 10 at 11:30 p
Discussion 6 due Monday, May 11 at 11:30 p

Week 7 (Starts May 11)

- Topics: Present and future worth, MARR, capitalized equivalent cost (Park, Ch. 5)
- Deliverable: Midterm (Week 7 Quiz) due Sunday, May 17 at 11:30 p (allow extra time)

Week 8 (Starts May 18)

- Topics: Annual equivalent worth, capital recovery, ROR and IRR, bond markets (Park, Chs., 6, 7, 4)
- Deliverables: Week 8 Quiz due Sunday, May 24 at 11:30 p
Individual slide due to "Assignments" on D2L, Monday, May 25 at 11:30 p

Week 9 (Starts May 25)

- Topics: MIRR, incremental Analysis, depreciation and taxation (Park Chs, 7, 9)
- Deliverables: Week 9 Quiz due Sunday, May 31 at 11:30 p
Discussion 7 (organize online presentation) due Monday, June 1 at 11:30 p
Group presentation due Monday, June 1 at 11:30 p on Google Drive

Week 10 (Starts June 1)

- Topics: Cost-benefit analysis inflation, real and nominal interest rates, risk and decision trees (Park Chs, 10, 11, 12)
- Deliverables: Week 10 Quiz due Sunday, June 7 at 11:30 p
Discussion 8 (comments for other groups) due Monday, June 8 at 11:30 p

Finals Week (June 7-14)

- Deliverables: Final Exam **(1 attempt only)**

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Course Policies:

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 are responsible for contacting the faculty member 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.