

## FIN 320 Final Project Guidelines and Rubric

### Final Project Part I

#### Part I Overview

Business professionals typically need to demonstrate a core set of financial knowledge to earn the job and to succeed on a job. For this part of the assessment, you will be given a scenario in which you are asked to illustrate your financial management knowledge.

This part of the final project addresses the following course outcomes:

- Analyze the roles and responsibilities of financial managers in confirming compliance with federal and shareholder requirements
- Differentiate between various financial markets and institutions by comparing and contrasting options when selecting appropriate private and corporate investments

#### Part I Prompt

You have completed an internship in the finance division of a fast-growing information technology corporation. Your boss, the financial manager, is considering hiring you for a full-time job. He first wants to evaluate your financial knowledge and has provided you with a short examination. When composing your answers to this employment examination, ensure that they are cohesive and read like a short essay.

Your submission must address the following **critical elements**:

- I. Analyze **Roles and Responsibilities** for Compliance
  - A. **Examine** the types of decisions financial managers make. How are these decisions related to the primary objective of financial managers?
  - B. **Analyze** the various ethical issues a financial manager could potentially face and how these could be handled.
  - C. **Compare and contrast** the different federal safeguards that are in place to reduce financial reporting abuse. Why are these considered appropriate safeguards?
- II. **Investment** Options
  - A. If a **private company** is “going public,” what does this mean, and how would the company do this? What are the advantages of doing this? Do you see any disadvantages? If so, what are they?
  - B. How do the largest **U.S. stock markets** differ? Out of those choices, which would be the smartest private investment option, in your opinion? Why?
  - C. **Compare and contrast** the various investment products that are available and the types of institutions that sell them.

### Final Project Part I Rubric

**Guidelines for Submission:** Ensure that your employment examination is submitted as one comprehensive and cohesive short essay. It should use double spacing, 12-point Times New Roman font, and one-inch margins. Citations should be formatted according to APA style.

Critical Elements	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
<b>Roles and Responsibilities: Examine</b>	Meets “Proficient” criteria and includes examples in analysis	Comprehensively examines the types of decisions financial managers make, including how these decisions are related to their primary objective	Examines the types of decisions financial managers make, including how these decisions are related to their primary objective, but examination is not comprehensive	Does not examine the types of decisions financial managers make	15.83
<b>Roles and Responsibilities: Analyze</b>	Meets “Proficient” criteria, and analysis indicates a clear understanding of ethical standards in finance	Comprehensively analyzes the various ethical issues a financial manager could potentially face and how these issues could be handled	Analyzes the various ethical issues a financial manager could potentially face and how these issues could be handled, but analysis is not comprehensive	Does not analyze the various ethical issues a financial manager could potentially face and how these issues could be handled	15.83
<b>Roles and Responsibilities: Compare and Contrast</b>	Meets “Proficient” criteria, and analysis indicates a clear understanding of federal safeguards in finance	Accurately analyzes different federal safeguards that are in place to reduce financial reporting abuse, including why these safeguards are appropriate	Analyzes different federal safeguards that are in place to reduce financial reporting abuse, but analysis is inaccurate or cursory, or analysis of why these safeguards are appropriate is inaccurate or cursory	Does not analyze different federal safeguards	15.83
<b>Investment: Private Company</b>	Meets “Proficient” criteria and includes examples in analysis	Comprehensively compares and contrasts the advantages and disadvantages of a company “going public” versus staying private	Compares and contrasts the advantages and disadvantages of a company “going public” versus staying private, but analysis is not comprehensive	Does not compare and contrast the advantages and disadvantages of a company “going public” versus staying private	15.83
<b>Investment: U.S. Stock Markets</b>	Meets “Proficient” criteria and explains choice of smartest stock market to invest private money into	Comprehensively and accurately differentiates between the largest U.S. stock markets and indicates choice of smartest stock market to invest private money into	Differentiates between the largest U.S. stock markets, but analysis is inaccurate or cursory or is missing choice of smartest stock market to invest private money into	Does not differentiate between the largest U.S. stock markets	15.83

<b>Investment: Compare and Contrast</b>	Meets “Proficient” criteria and includes both foreign and domestic institutions	Comprehensively compares and contrasts the various investment products available and the types of institutions that sell them	Compares and contrasts the various investment products and the types of institutions that sell them, but analysis is not comprehensive	Does not compare and contrast the various investment products and the types of institutions that sell them	15.83
<b>Articulation of Response</b>	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy to read format	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	5.02
<b>Earned Total</b>					<b>100%</b>

## Final Project Part II

### Part II Overview

For this part of the final project, you will be given a scenario in which you are asked to illustrate your financial computation and analysis skills.

This part of the assessment addresses the following course outcomes:

- Compute financial ratios, time value, variables, and returns using industry standard tools for optimizing financial success
- Analyze corporate financial data for multiple companies in evaluating past and future financial performances

### Part II Prompt

For this section of your employment exam, you will select two companies. The first company needs to come from your TDAU thinkorswim portfolio. The second needs to be a competitor of the first company from the same industry. You will be responsible for collecting, synthesizing, and making decisions regarding both companies. After evaluating these companies' financial data, you will then decide which company's stock is the better investment.

This section of your employment examination must be submitted in two parts. Part A will contain the workbooks that house all of your quantitative data and formulas, along with any of the information that is relevant for your chosen companies. Part B will contain your answers to the questions asked below, composed in a cohesive manner. If you are referring to data that is found within the workbooks in Part A, be sure to include a citation—for example, “rate of return is 3.570 USD (E64, WB2),” where E64 is the cell that the calculation took place in and WB2 is designating “workbook 2.” This ensures that your instructor can quickly and accurately check data entry, formula use, and financial calculations.

Your submission must address the following **critical elements**:

#### I. **Preparing** the Workbooks

- A. **Download** the annual income statements, balance sheets, and cash flow statements for the last three completed fiscal years for your chosen companies. This information must be included in your final submission.
- B. Prepare a **worksheet** for each of the companies to display their financial data for the last three fiscal years. Ensure your data is accurate and organized. Include these worksheets as a workbook in your final submission.
- C. Find historical **stock prices** for both companies and add this information to the respective spreadsheets. Consider the appropriate date range you should use.

#### II. Three-Year **Returns**

- A. What is the three-year return on the stock price of the **first company (Company A)**? How is the stock performing? Ensure that you use the appropriate formula in your spreadsheets to calculate the three-year return on the given company's stock price.
- B. What is the three-year return on the stock price of the **second company (Company B)**? How is this stock performing? Ensure that you use the appropriate formula in your spreadsheets to calculate the three-year return on your chosen company's stock price.
- C. How do these two stocks **compare** in terms of three-year returns? What does this indicate about these two companies?

### III. Financial Calculations

- A. Using the appropriate spreadsheets, which are to be included in the workbooks, calculate the **price-to-earnings ratio** for the last three fiscal years of the given and your chosen companies. Be sure that you are entering and using the correct formula.
- B. Using the appropriate spreadsheets, which are to be included in the workbooks, calculate the **debt-to-equity ratios** for the last three fiscal years of the given and your chosen companies. Be sure that you are entering and using the correct formula.
- C. Using the appropriate spreadsheets, which are to be included in the workbooks, calculate the **return-on-equity ratios** for the last three fiscal years of the given and your chosen companies. Be sure that you are entering and using the correct formula.
- D. Using the appropriate spreadsheets, which are to be included in the workbooks, calculate the **earnings per share** for the last three fiscal years of the given and your chosen companies. Be sure that you are entering and using the correct formula.
- E. Using the appropriate spreadsheets, which are to be included in the workbooks, calculate the **profit margins** for the last three fiscal years of the given and your chosen companies. Be sure that you are entering and using the correct formula.
- F. Using the appropriate spreadsheets, which are to be included in the workbooks, calculate the **free cash flows** for the last three fiscal years of the given and your chosen companies. Be sure that you are entering and using the correct formula.

### IV. Industry Averages

- A. Obtain current **industry averages** of three of the financial calculations above for both companies and add this information to your spreadsheet for comparison. Ensure the accuracy and organization of your data.
- B. In this context, how is each company's **financial health**? How do these two companies compare to one another? Consider the appropriate date range you should use.

### V. Performance Over Time

- A. Analyze the performance of the **Company A** over time. What financial strengths and weaknesses does this company have? Consider addressing the free cash flows and ratios you calculated earlier.
- B. Analyze the performance of your **Company B** over time. What financial strengths and weaknesses does this company have? Consider addressing the free cash flows and ratios you calculated earlier.
- C. Analyze how the data **differ** between these two companies. Why do you think this is? Consider addressing the free cash flows and ratios you calculated earlier.

### VI. Investment

- A. Are the companies considered **growth or value** companies? Why?
- B. Which company's **stock** is the better investment? Consider supporting your answer with data.

### Final Project Part II Rubric

**Guidelines for Submission:** This part of the final project will be submitted in two parts. Part A will contain the workbooks that house all of your quantitative data and formulas, along with any of the information that is relevant for your chosen company. Part B will contain your answers to the prompts, composed in a cohesive manner. Part B should use double spacing, 12-point Times New Roman font, and one-inch margins. Citations should be formatted according to APA style.

Critical Elements	Exemplary	Proficient	Needs Improvement	Not Evident	Value
<b>Preparing: Download</b>		Downloads and includes annual income statements, balance sheets, and cash flow statements for the last three fiscal years for chosen companies (100%)	Downloads and includes annual income statements, balance sheets, and cash flow statements for chosen companies but is missing various components (55%)	Does not download and include annual income statements, balance sheets, and cash flow statements for the last three fiscal years for chosen companies (0%)	2
<b>Preparing: Worksheet</b>		Prepares worksheet for chosen and given companies, displaying all financial data for the last three fiscal years in an accurate and organized manner (100%)	Prepares worksheet for chosen and given companies, displaying financial data for the last three fiscal years, but worksheets are unorganized, inaccurate, or incomplete (55%)	Does not prepare worksheets for both the chosen and given companies (0%)	2
<b>Preparing: Stock Prices</b>		Adds historical stock prices for an appropriate date range for the chosen and given companies to their respective worksheets (100%)	Adds historical stock prices for the chosen and given companies, but data has been inaccurately entered or is not for an appropriate date range (55%)	Does not add historical stock prices for the given and chosen companies to their respective worksheets (0%)	2
<b>Returns: Company A</b>	Meets “Proficient” criteria and logically explains reasoning behind indication of stock performance (100%)	Correctly calculates the three-year return on the stock price of the given company and accurately indicates how this stock is performing (85%)	Calculates the three-year return on the stock price of the given company, but calculation is incorrect or indication of how this stock is performing is inaccurate or missing (55%)	Does not calculate the three-year return on the stock price of the given company (0%)	5.63
<b>Returns: Company B</b>	Meets “Proficient” criteria and logically explains reasoning behind indication of stock performance (100%)	Correctly calculates the three-year return on the stock price of the chosen company and accurately indicates how this stock is performing (85%)	Calculates the three-year return on the stock price of the chosen company, but calculation is incorrect or indication of how this stock is performing is inaccurate or missing (55%)	Does not calculate the three-year return on the stock price of the chosen company (0%)	5.63
<b>Returns: Compare</b>	Meets “Proficient” criteria, and explanation demonstrates nuanced understanding of three-year returns and their implications (100%)	Compares the three-year returns of the given and chosen companies, explaining what this indicates about each company (85%)	Compares the three-year returns of the given and chosen companies, but explanation of what this indicates about each company is cursory or missing (55%)	Does not compare the three-year returns of the given and chosen companies (0%)	6.43

<b>Calculations: Price-to-Earnings Ratios</b>		Correctly calculates the price-to-earnings ratios for the last three fiscal years of the given and chosen companies (100%)	Calculates the price-to-earnings ratios of the given and chosen companies, but calculations are incorrect or do not consider the last three fiscal years (55%)	Does not calculate the price-to-earnings ratios of the given and chosen companies (0%)	5.63
<b>Calculations: Debt-to-Equity Ratios</b>		Correctly calculates the debt-to-equity ratios for the last three fiscal years of the given and chosen companies (100%)	Calculates the debt-to-equity ratios of the given and chosen companies, but calculations are incorrect or do not consider the last three fiscal years (55%)	Does not calculate the debt-to-equity ratios of the given and chosen companies (0%)	5.63
<b>Calculations: Return-on-Equity Ratios</b>		Correctly calculates the return-on-equity ratios for the last three fiscal years of the given and chosen companies (100%)	Calculates the return-on-equity ratios of the given and chosen companies, but calculations are incorrect or do not consider the last three fiscal years (55%)	Does not calculate the return-on-equity ratios of the given and chosen companies (0%)	5.63
<b>Calculations: Earnings Per Share</b>		Correctly calculates the earnings per share for the last three fiscal years of the given and chosen companies (100%)	Calculates the earnings per share of the given and chosen companies, but calculations are incorrect or do not consider the last three fiscal years (55%)	Does not calculate the earnings per share ratios of the given and chosen companies (0%)	5.63
<b>Calculations: Profit Margins</b>		Correctly calculates the profit margins for the last three fiscal years of the given and chosen companies (100%)	Calculates the profit margins of the given and chosen companies, but calculations are incorrect or do not consider the last three fiscal years (55%)	Does not calculate the profit margins of the given and chosen companies (0%)	5.63
<b>Calculations: Free Cash Flows</b>		Correctly calculates the free cash flows for the last three fiscal years of the given and chosen companies (100%)	Calculates the free cash flows of the given and chosen companies, but calculations are incorrect or do not consider the last three fiscal years (55%)	Does not calculate the free cash flows of the given and chosen companies (0%)	5.63
<b>Industry Averages: Industry Averages</b>		Adds current industry averages for chosen and given companies to worksheet in an accurate and organized manner (100%)	Adds current industry averages for chosen and given companies to worksheets, but some data is inaccurate, unorganized, or missing (55%)	Does not add current industry averages for chosen and given companies to worksheets (0%)	2
<b>Industry Averages: Financial Health</b>	Meets "Proficient" criteria and includes current industry averages within an appropriate date range (100%)	Analyzes the given and chosen companies' financial health by comparing the two companies' current industry averages (85%)	Analyzes the given and chosen companies' financial health by comparing the two companies' industry averages but does not consider the current industry rates (55%)	Does not analyze the given and chosen companies' financial health (0%)	6.43
<b>Performance: Company A</b>	Meets "Proficient" criteria and references free cash flow and ratios calculated for the given company in analysis (100%)	Comprehensively analyzes the strengths and weaknesses of the given company over time (85%)	Analyzes the strengths and weaknesses of the given company over time, but analysis is not comprehensive (55%)	Does not analyze the strengths and weaknesses of the given company over time (0%)	6.43

<b>Performance: Company B</b>	Meets “Proficient” criteria and references free cash flow and ratios calculated for the chosen company in analysis (100%)	Comprehensively analyzes the strengths and weaknesses of the chosen company over time (85%)	Analyzes the strengths and weaknesses of the chosen company over time, but analysis is not comprehensive (55%)	Does not analyze the strengths and weaknesses of the chosen company over time (0%)	6.43
<b>Performance: Differ</b>	Meets “Proficient” criteria and references the companies’ free cash flows and ratios calculated in analysis (100%)	Accurately contrasts the performances of the given and chosen companies over time, including a logical, proposed explanation of these performances (85%)	Contrasts the performances of the given and chosen companies over time, but analysis is inaccurate or cursory, or the included explanation of these performances is illogical or cursory (55%)	Does not contrast the performances of the given and chosen companies over time (0%)	6.43
<b>Investment: Growth or Value</b>	Meets “Proficient” criteria and includes quantitative data to support analysis (100%)	Comprehensively analyzes whether the companies are considered growth or value companies, including a logical explanation of why (85%)	Analyzes whether the companies are considered growth or value companies, but analysis is not comprehensive, or the explanation included is illogical or cursory (55%)	Does not analyze whether the companies are considered growth or value companies (0%)	6.43
<b>Investment: Stock</b>	Meets “Proficient” criteria and includes quantitative data to support analysis (100%)	Analyzes each company’s stock, including a logical explanation of personal preference of which stock to purchase (85%)	Analyzes each company’s stock, including an explanation of personal preference of stock options, but analysis or explanation is illogical or cursory (55%)	Does not analyze each company’s stock (0%)	6.43
<b>Articulation of Response</b>	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy to read format (100%)	Submission has no major errors related to citations, grammar, spelling, syntax, or organization (85%)	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas (55%)	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas (0%)	1.95
<b>Earned Total</b>					<b>100%</b>



## Final Project Part III

### Part III Overview

To make corporate finance decisions, take an advanced finance course, or pursue a career in finance, you will need to understand basic concepts. This includes going beyond the number crunching and reading graphs in order to analyze various financial indicators. This analysis can lead to many important decisions in your financial career. For this part of the final project, you will be given a scenario in which you are asked to illustrate your financial knowledge and analysis skills.

This part of the assessment addresses the following course outcomes:

- Analyze the roles and responsibilities of financial managers in confirming compliance with federal and shareholder requirements
- Differentiate between various financial markets and institutions by comparing and contrasting options when selecting appropriate private and corporate investments
- Compute financial ratios, time value, variables, and returns using industry standard tools for optimizing financial success
- Analyze corporate financial data for multiple companies in evaluating past and future financial performances

### Part III Prompt

The results of both sections of your employment examination have finally been received, and you were offered the position. You have a few important decisions to make before you can formally accept or decline the position. When composing your answers to these decisions, ensure that they are cohesive and read like a short essay.

Your submission must address the following **critical elements**:

#### I. School Versus Work

- A. The school you would like to attend costs \$100,000. To help **finance your education**, you need to choose whether or not to sell any of your 500 shares of Apple stock you bought five years ago, 100 Apple bonds (3.25% coupon rate) that are five years from their 10-year maturity date, or a combination of both. Provide the appropriate data and calculations that you would perform to make this decision..
- B. What are the **advantages and disadvantages** of selling a combination of stocks and bonds? Be sure to support your answers.
- C. Suppose that you **choose to sell** your stocks, bonds, or a combination of both. What is your choice, and what is your financial reasoning behind this choice? Consider supporting your answer with quantitative data.
- D. Suppose that you choose to **accept the job**. What is your financial reasoning behind this choice? Be sure to support your answer with quantitative data.

II. **Bonus Versus Stock**

- A. The company has **offered** you a \$5,000 bonus, which you may receive today, or 100 shares of the company's stock, which has a current stock price of \$50 per share. Mathematically, what is the best choice? Why?
- B. What are the **advantages and disadvantages** of each option? Be sure to support your answers.
- C. What would you ultimately **choose** to do? What is your financial reasoning behind this choice? Consider supporting your answer with quantitative data.

III. **Compliance**

- A. While **investigating** the shares offered to you by your potential boss, you discover that the company you are considering working for is not registered as required under the Securities Act of 1933. How does this influence you as a potential employee and as a potential shareholder? Be sure to reference any applicable statutes or laws.
- B. You know that **accepting** this job may eventually lead to a promotion into the role of the financial manager. As the potential financial manager, what federal and shareholder requirements would you need to be familiar with in order to ensure that you are being completely compliant?

### Final Project Part III Rubric

**Guidelines for Submission:** Please ensure that your decision plan is submitted as one comprehensive and cohesive short essay. It should use double spacing, 12-point Times New Roman font, and one-inch margins. Citations should be formatted according to APA style.

Critical Elements	Exemplary	Proficient	Needs Improvement	Not Evident	Value
<b>School Versus Work: Finance Your Education</b>		Accurately calculates the worth of stocks, bonds, and combinations of stocks and bonds, including the appropriate data and calculations with submission (100%)	Calculates the worth of stocks, bonds, and combinations of stocks and bonds, but calculation is inaccurate or appropriate data and/or calculations are not included in submission (55%)	Does not calculate the worth of stocks, bonds, and combinations of stocks and bonds (0%)	11.88
<b>School Versus Work: Advantages and Disadvantages</b>	Meets “Proficient” criteria and provides historical data, as well as quantitative data, to support answer (100%)	Comprehensively differentiates the advantages and disadvantages of selling a combination of stocks and bonds and provides support for answer (85%)	Differentiates the advantages and disadvantages of selling a combination of stocks and bonds, but analysis is not comprehensive or support is cursory or missing (55%)	Does not differentiate the advantages and disadvantages of selling a combination of stocks and bonds (0%)	11.88
<b>School Versus Work: Choose to Sell</b>	Meets “Proficient” criteria and supports examination with quantitative data (100%)	Examines choice to sell stocks, bonds, or combination of both, explaining the financial reasoning behind the choice (85%)	Examines choice to sell stocks, bonds, or combination of both, but explanation of the financial reasoning behind the choice is cursory or missing (55%)	Does not examine choice to sell stocks, bonds, or combination of both (0%)	7.92
<b>School Versus Work: Accept the Job</b>	Meets “Proficient” criteria and supports examination with quantitative data (100%)	Examines choice to accept the job, explaining the financial reasoning behind the choice (85%)	Examines choice to accept the job, but explanation of the financial reasoning behind the choice is cursory or missing (55%)	Does not examine choice to accept the job (0%)	7.92
<b>Bonus Versus Stock: Offered</b>	Meets “Proficient” criteria, and explanation of the best choice demonstrates nuanced understanding of the time-value of money (100%)	Accurately calculates the best choice of receiving a cash bonus versus receiving company stock, including an explanation of the best choice (85%)	Calculates the best choice of receiving a cash bonus versus receiving company stock, but calculation is inaccurate or explanation of best choice is cursory or missing (55%)	Does not calculate the best choice of receiving a cash bonus versus receiving company stock (0%)	11.88
<b>Bonus Versus Stock: Advantages and Disadvantages</b>	Meets “Proficient” criteria, and analysis includes quantitative data (100%)	Comprehensively analyzes the advantages and disadvantages of the cash and stock options, supporting each option (85%)	Analyzes the advantages and disadvantages of the cash and stock options, but analysis is not comprehensive or support for each option is cursory or missing (55%)	Does not analyze the advantages or disadvantages of the cash and stock options (0%)	11.88

<b>Bonus Versus Stock: Choose</b>	Meets “Proficient” criteria and supports choice with quantitative data (100%)	Chooses cash or stock option, including logical financial reasoning behind the choice (85%)	Chooses cash or stock option, including financial reasoning behind the choice, but reasoning is illogical or missing (55%)	Does not choose cash or stock option (0%)	7.92
<b>Compliance: Investigating</b>	Meets “Proficient” criteria and references demonstrate knowledge of current events in finance (100%)	Comprehensively analyzes the influence of noncompliance on potential employees and potential shareholders, including references to statutes and laws in analysis (85%)	Analyzes the influence of noncompliance on potential employees and potential shareholders, but analysis is not comprehensive or support does not include references to statutes or laws (55%)	Does not analyze the influence of noncompliance on potential employees or potential shareholders (0%)	11.88
<b>Compliance: Accepting</b>	Meets “Proficient” criteria, and analysis demonstrates nuanced understanding of requirements for compliance with federal laws (100%)	Comprehensively analyzes the federal and shareholder requirements necessary for a financial manager to become familiar with in order to ensure compliance (85%)	Analyzes the federal and shareholder requirements necessary for a financial manager to become familiar with in order to ensure compliance, but analysis is not comprehensive (55%)	Does not analyze the federal and shareholder requirements necessary for a financial manager to become familiar with in order to ensure compliance (0%)	11.88
<b>Articulation of Response</b>	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy to read format (100%)	Submission has no major errors related to citations, grammar, spelling, syntax, or organization (85%)	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas (55%)	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas (0%)	4.96
<b>Earned Total</b>					<b>100%</b>