

## 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.

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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>