FIN-3301-110, FINANCIAL MANAGEMENT I
Section 110 – 11:00 am - 1:45 pm     MW     Founder's Hall Room 304
Summer 2019
Texas A&M University-Central Texas

INSTRUCTOR AND CONTACT INFORMATION
Instructor: Marty Hanby, Assistant Professor of Finance
Office: Founder’s Hall, 323Q
Phone: 254-519-5772
Email: m.hanby@tamuct.edu
Office Hours: After class or by appointment

Course Materials and Textbook: CFIN5, Besley and Brigham. Cengage, 2015

APLIA ACCESS IS NOT REQUIRED FOR THIS CLASS!

You will need a financial calculator. I will teach the class using the TI BAII Plus Professional financial calculator. I will show you many examples in class using this calculator. If you prefer to use another business calculator or a graphics calculator that has financial that is fine but do not expect me to tutor you on how to use your own calculator. A graphics calculator will be useful for the third exam and if you prefer to use formulas.

Mode of instruction and course access:
This course meets face-to-face, with supplemental materials made available online via the A&M-Central Texas Canvas Learning Management System [https://tamuct.instructure.com].

Student-instructor interaction:
I highly recommend that you take the time to come to my office hours, this will be beneficial to both of us. It gives me the opportunity to understand both your strengths and weaknesses, students that take the time to get to know me usually do much better in my class. My preferred communication method is via email, I check email regularly during the week and a couple of times a day on weekends. If my office hours don’t work for you, please email me and we will schedule a time that works for both of us.

911 Cellular:
Emergency Warning System for Texas A&M University – Central Texas
911Cellular is an emergency notification service that gives Texas A&M University-Central Texas the ability to communicate health and safety emergency information quickly via email, text message, and social media. All students are automatically enrolled in 911 Cellular through their myCT email account.

Connect at 911Cellular [https://portal.publicsafetycloud.net/Texas-AM-Central/alert-management] to change where you receive your alerts or to opt out. By staying enrolled in 911Cellular, university officials can quickly pass on safety-related information, regardless of your location.
COURSE INFORMATION

Course Overview and description: An analysis of financial decision-making at the corporate level with emphasis on the maximization of stockholder wealth. Topics covered include financial statement analysis, the valuation of stocks and bonds, the cost of capital, capital budgeting, leverage and capital structure, methods of firm valuation, working capital management, and bankruptcy.

Course Objective: Students who successfully complete this course should be able to: explain the fundamental types of financial assets including their basic characteristics, valuation, and their pros/cons as sources of financing (capital); evaluate a firm's financial performance using its financial statements; evaluate financial alternatives from a time value of money perspective; evaluate the risk/return characteristics of different financial decisions; conduct a thorough firm-level financial analysis; demonstrate a thorough financial literacy; demonstrate proficiency using a financial calculator.

Course Prerequisites: ACC 2033, ACC 2043 and ECO 2013. You need to be able to use the basic tools of corporate finance: balance sheets and income statements and the statement of cash flows" and you need to be comfortable with basic algebra. Without basic accounting and algebra skills you will have a very difficult time! If you are trying to learn (or relearn) basic accounting while I am teaching finance; you are not likely to do well in this course. Financial Accounting is the "language" of finance. YOU MUST FIRST LEARN ACCOUNTING/FINANCE JARGON TERMS: WHAT THEY MEAN, WHERE THEY ARE FOUND, HOW THEY ARE USED, ETC.

Student Learning Outcomes:
1. AN OVERVIEW OF MANAGERIAL FINANCE
Discuss the basic types of financial management decisions and the role of the financial manager. Identify the goal of financial management. Compare the financial implications of the different forms of business organizations. Describe the conflicts of interest that can arise between managers and owners. Discuss the role of ethics and corporate governance in a well-functioning economic system.

2. ANALYSIS OF FINANCIAL STATEMENTS
Interpret the information provided in a firm's basic financial statements. Standardize financial statements for comparison purchases. Compute and interpret common financial ratios. Assess the determinants of a firm's financial performance. Identify and explain some of the problems and pitfalls in financial statement analysis.

3. THE FINANCIAL ENVIRONMENT
Describe the role the financial markets play in determining living standards and economic growth. Distinguish between the various types of financial markets. Describe the various types of financial intermediaries and their functions.
4. THE TIME VALUE OF MONEY (TVM)
Determine the future value of an investment made today.
Determine the present value of cash to be received in the future.
Calculate the rate of return on an investment.
Given any 4 of the TVM variables (n, k, pv, pmt, fv) be able to calculate the unknown variable.
Determine the future and present value of investments with multiple cash flows.
Describe the loan amortization process and create a loan amortization table.
Explain how interest rates are quoted.

5. THE COST OF MONEY (INTEREST RATES)
Describe the cost of money and the factors that influence interest rates.
Describe how interest rates are determined.
Describe the yield curve and discuss how to interpret the markets expectations of future interest rates based on the shape of the yield curve.
Discuss the impact on changes in interest rates (required rates of return) affect the value of financial assets.

6. BONDS (DEBT)
Identify important bond features and types of bonds.
Describe how bond are valued and why bond values fluctuate.
Discuss bond ratings and what they mean.
Evaluate the impact of inflation on interest rates and bond values.
Explain the bond structure of interest rates and the determinants of bond yields.

7. STOCKS (EQUITY)
Assess how stock prices depend on future dividends and dividend growth.
Identify the rights and privileges of stockholders.
Explain how stock markets work.

9. CAPITAL BUDGETING TECHNIQUES (NPV & IRR)
Describe the general nature and process of capital budgeting
Calculate a projects NPV and justify a go/no go decision
Calculate a project's IRR and justify a go/no go decision
Explain ranking conflicts and the conditions under which they are likely to occur.

Competency Goals:
- Understand the agency relationship, recognize agency violations, and correct unethical corporate behavior.
- Analyze real-world financial statements and draw accurate conclusions about the firm's financial health.
- Construct and interpret important financial ratios. Make informed short and long-run financing decisions based upon expected movements in interest rates.
- Apply risk/return concepts in assessing the required rate of return for suppliers of debt and equity capital.
- Apply time value of money methods to financing and corporate decision-making.
• Undertake fundamental valuation of the firm's debt and equity securities using prescribed models.
• Compute and utilize the firm's cost of capital in financial decision-making.
• Make investment decisions using established capital budgeting techniques.
• Understand the different types of risk associated with various forms of leverage.
• Understand the implications of a sub-optimal capital structure.
• Recognize the real-world factors that impact the capital structure decision.
• Understand dividends and share repurchases as they impact firm valuation.
• Understand and use the internet as an important source of financial data and information.
• Be financial calculator literate.

COURSE REQUIREMENTS
Homework (50 points) - There will be end of chapter homework assignments throughout the semester. All homework will be submitted via the links provided in the Assignments section of Canvas. All homework assignments combined will be worth 100 points. I will not accept late homework. Let me repeat “I WILL NOT ACCEPT LATE HOMEWORK!”

Exams (200 points) - You will have 3 exams in this class. Each exam is worth 100 points. All exams will cover material from the chapters that were covered after the previous exam. This means that the exams are not comprehensive...technically. However; since much of the material builds on itself you must understand earlier chapters to be able to show your understanding of later chapters. The optional final exam is comprehensive and if you elect to take the final it will replace your lowest exam grade.

Grading:

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<tr>
<th>%</th>
<th>Grade</th>
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<tbody>
<tr>
<td>&gt;= 90%</td>
<td>A</td>
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<tr>
<td>80 - 89.99%</td>
<td>B</td>
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<td>70 - 79.99%</td>
<td>C</td>
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<td>60 - 69.99%</td>
<td>D</td>
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<td>&lt; 60%</td>
<td>F</td>
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NOTE: Requests for Incomplete Grades: Incompletes will only be given in emergency or other extreme circumstances. Any request for an incomplete grade in this course must be approved by the professor prior to the last week of classes. Requests should be submitted in written form, include a detailed explanation and documentation, and must include an address and/or telephone number where you may be contacted throughout the following semester. There is a university requirement that a substantial portion of the course work must have been completed by the student prior to receiving and incomplete. Also, students will be required to enter into a contract with the professor to finish the course within some set time frame to be determined by the professor. Students will no longer be able to get an IC after doing 5% of the class and then get an extra semester to complete their work.
Posting of Grades

Grades will be posted in Canvas, in most cases they will be posted just prior to the next class after an exam.

TENTATIVE COURSE OUTLINE AND CALENDAR

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Chapter</th>
<th>Assignment Due</th>
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<tbody>
<tr>
<td>6/4</td>
<td>Financial Management - Introduction</td>
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<td></td>
<td>An Overview of Managerial Finance</td>
<td>1</td>
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<tr>
<td>6/6</td>
<td>Analysis of Financial Statements</td>
<td>2</td>
<td>Ch 1 - 1,3,4,6,9-13,15</td>
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<tr>
<td>6/11</td>
<td>Analysis of Financial Statements</td>
<td>2</td>
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<tr>
<td>6/13</td>
<td>The Financial Environment</td>
<td>3</td>
<td>Ch 2 - 1,2,5-19 odd</td>
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<tr>
<td>6/18</td>
<td>Time Value of Money</td>
<td>4</td>
<td>Ch 3 - 2,3,5,9,10-18 even</td>
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<tr>
<td>6/25</td>
<td>Time Value of Money</td>
<td>4</td>
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<td></td>
<td>The Cost of Money</td>
<td>5</td>
<td>Ch 4 - 1,2,4-7,10,11-25 odd</td>
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<tr>
<td>6/27</td>
<td>Review</td>
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<td><strong>Exam 1</strong></td>
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<tr>
<td>7/2</td>
<td>The Cost of Money</td>
<td>5</td>
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<td></td>
<td>Bonds Characteristics and Valuation</td>
<td>6</td>
<td>Ch 5 - 1-9 odd 10-18 even</td>
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<tr>
<td>7/4</td>
<td><strong>July 4th Holiday</strong></td>
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<tr>
<td>7/9</td>
<td>Bonds Characteristics and Valuation</td>
<td>6</td>
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<tr>
<td>7/11</td>
<td>Stocks Characteristics and Valuation</td>
<td>7</td>
<td>Ch 6 - 1-19 odd</td>
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<tr>
<td>7/16</td>
<td>Stocks Characteristics and Valuation</td>
<td>7</td>
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<tr>
<td>7/18</td>
<td>Capital Budgeting Techniques</td>
<td>9</td>
<td>Ch 7 - 1-11 odd, 14-17</td>
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<tr>
<td>7/23</td>
<td>Review</td>
<td></td>
<td>Ch 9 - 1-19 odd</td>
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<td><strong>Exam 2</strong></td>
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<tr>
<td>7/25</td>
<td>Optional Comprehensive Final</td>
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Important University Dates:

- June 3: Add, Drop, and Late Registration Begins for 10-, 8- and First 5-Week Classes. $25 fee assessed for late registrants.
- June 3: Classes Begin for First 5-, 10-, and 8-Week Session
- June 6: Deadline to Drop First 5-Week Classes with No Record
- June 10: Deadline to Drop 8-Week Classes with No Record
- June 18: Deadline to Drop 10-Week Classes with No Record
- June 21: Deadline to Drop First 5-Week Classes with a Quit (Q) or Withdraw (W)
- June 21: Student End of Course Survey Opens (First 5-Week Classes)
- July 1: Deadline for Teacher Education and Professional Certification Applications (i.e. Principal, Reading Specialist, etc.)
- July 4: Independence Day (*University Closed*)
- July 5: Classes End for First 5-Week Session
July 5  Deadline for Graduation Application for Summer Ceremony Participation
July 5  Deadline to Withdraw from the University for First 5-Week Classes
July 8  Add, Drop, and Late Registration Begins for Second 5-Week Classes. $25 fee assessed for late registrants.
July 8  Classes Begin Second 5-Week Session
July 8  Student End of Course Survey Opens (First 5-Week Classes)
July 9  Deadline for Faculty Submission of First 5-Week Final Class Grades (due by 3pm)
July 11 Deadline to Drop Second 5-Week Classes with No Record
July 12 Deadline to Drop 8-Week Classes with a Quit (Q) or Withdraw (W)
July 12  Deadline for Final Committee-Edited Theses with Committee Approval Signatures to Office of Graduate Studies for Summer Semester
July 12  Student End of Course Survey Opens (8-Week Classes)
July 19  Deadline to Drop 10-Week Classes with a Quit (Q) or Withdraw (W)
July 26 Classes End for 8-Week Session
July 26  Deadline to Drop Second 5-Week Classes with a Quit (Q) or Withdraw (W)
July 26  Deadline to Withdraw from the University for 8-Week Classes
July 26  Student End of Course Survey Opens (10- and Second 5-Week Classes)
July 29  Student End of Course Survey Closes (8-Week Classes)
July 30  Deadline for Faculty Submission of 8-Week Final Class Grades (due by 3pm)
August 1  Deadline for GRE/GMAT Scores to Office of Graduate Studies
August 9 Classes End for 10- and Second 5-Week Sessions
August 9  Deadline for Applications for $1,000 Tuition Rebate for Summer Graduation (5pm)
August 9  Deadline for Summer Degree Conferral Applications to the Registrar’s Office. $20 Late Application Fee.
August 9  Deadline to Withdraw from the University for 10- and Second 5-Week Classes
August 10  Commencement Ceremony Bell County Expo Center (TBD)
August 12  Student End of Course Survey Closes (10- and Second 5-Week Classes)
August 13  Deadline for Faculty Submission of 10-Week and Second 5-Week Final Class Grades (due by 3pm)
August 13  Deadline for Theses to Clear Thesis Office for Summer Semester

TECHNOLOGY REQUIREMENTS AND SUPPORT

Technology Requirements
This course will use the A&M-Central Texas Instructure Canvas learning management system. Logon to A&M-Central Texas Canvas [https://tamuct.instructure.com/] or access Canvas through the TAMUCT Online link in myCT [https://tamuct.onecampus.com/]. You will log in through our Microsoft portal.

Username: Your MyCT email address. Password: Your MyCT password
Canvas Support
Use the Canvas Help link, located at the bottom of the left-hand menu, for issues with Canvas. You can select “Chat with Canvas Support,” submit a support request through “Report a Problem,” or call the Canvas support line: 1-844-757-0953.
For issues related to course content and requirements, contact your instructor.

Other Technology Support
For log-in problems, students should contact Help Desk Central.
24 hours a day, 7 days a week:
   Email: helpdesk@tamu.edu
   Phone: (254) 519-5466
   Web Chat: [http://hdc.tamu.edu]

Please let the support technician know you are an A&M-Central Texas student.

UNIVERSITY RESOURCES, PROCEDURES, AND GUIDELINES

Drop Policy.
If you discover that you need to drop this class, you must complete a Drop Request Form [https://www.tamuct.edu/registrar/docs/Drop_Request_Form.pdf].

Professors cannot drop students; this is always the responsibility of the student. The Registrar’s Office will provide a deadline on the Academic Calendar for which the form must be completed, signed and returned. Once you return the signed form to the Registrar’s Office, you must go into Warrior Web and confirm that you are no longer enrolled. If you still show as enrolled, FOLLOW-UP with the Registrar’s Office immediately. You are to attend class until the procedure is complete to avoid penalty for absence. Should you miss the drop deadline or fail to follow the procedure, you will receive an F in the course, which may affect your financial aid and/or VA educational benefits.

Academic Integrity.
Texas A&M University -Central Texas values the integrity of the academic enterprise and strives for the highest standards of academic conduct. A&M-Central Texas expects its students, faculty, and staff to support the adherence to high standards of personal and scholarly conduct to preserve the honor and integrity of the creative community. Academic integrity is defined as a commitment to honesty, trust, fairness, respect, and responsibility. Any deviation by students from this expectation may result in a failing grade for the assignment and potentially a failing grade for the course. Academic misconduct is any act that improperly affects a true and honest evaluation of a student’s academic performance and includes, but is not limited to, cheating on an examination or other academic work, plagiarism and improper citation of sources, using another student’s work, collusion, and the abuse of resource materials. All academic misconduct concerns will be reported to the university’s Office of Student Conduct. Ignorance of the university’s standards and expectations is never an excuse to act with a lack of integrity. When in doubt on collaboration, citation, or any issue, please contact your instructor before taking a course of action.

For more information regarding the Student Conduct process,
If you know of potential honor violations by other students, you may submit a report, [https://cm.maxient.com/reportingform.php?TAMUCentralTexas&layout_id=0].

**Academic Accommodations.**
At Texas A&M University-Central Texas, we value an inclusive learning environment where every student has an equal chance to succeed and has the right to a barrier-free education. The Office of Access and Inclusion is responsible for ensuring that students with a disability receive equal access to the university’s programs, services and activities. If you believe you have a disability requiring reasonable accommodations please contact the Office of Access and Inclusion, WH-212; or call (254) 501-5836. Any information you provide is private and confidential and will be treated as such.

For more information please visit our Access & Inclusion Canvas page (log-in required) [https://tamuct.instructure.com/courses/717]

**Important information for Pregnant and/or Parenting Students.**
Texas A&M University-Central Texas supports students who are pregnant and/or parenting. In accordance with requirements of Title IX and related guidance from US Department of Education’s Office of Civil Rights, the Dean of Student Affairs’ Office can assist students who are pregnant and/or parenting in seeking accommodations related to pregnancy and/or parenting. Students should seek out assistance as early in the pregnancy as possible. For more information, please visit the Student Affairs web page [https://www.tamuct.edu/student-affairs/index.html]. Students may also contact the institution’s Title IX Coordinator. If you would like to read more about these requirements and guidelines online, please visit the website [http://www2.ed.gov/about/offices/list/ocr/docs/pregnancy.pdf].

Title IX of the Education Amendments Act of 1972 prohibits discrimination on the basis of sex and gender—including pregnancy, parenting, and all related conditions. A&M-Central Texas is able to provide flexible and individualized reasonable accommodation to pregnant and parenting students. All pregnant and parenting students should contact the Associate Dean in the Division of Student Affairs at (254) 501-5909 to seek out assistance. Students may also contact the University’s Title IX Coordinator.

**Tutoring.**
Tutoring is available to all A&M-Central Texas students, both on-campus and online. Subjects tutored on campus include Accounting, Advanced Math, Biology, Finance, Statistics, Mathematics, and Study Skills. Tutors are available at the Tutoring Center in Warrior Hall, Suite 111.

If you have a question regarding tutor schedules, need to schedule a tutoring session, are interested in becoming a tutor, or have any other question, contact Academic Support Programs at (254) 519-5796, or by emailing Dr. DeEadra Albert-Green at deeadra.albertgreen@tamuct.edu.
Chat live with a tutor 24/7 for almost any subject from on your computer! Tutor.com is an online tutoring platform that enables A&M-Central Texas students to log in and receive FREE online tutoring support. This tool provides tutoring in over 40 subject areas. Access Tutor.com through Canvas.

**University Writing Center.**
Located in Warrior Hall 416, the University Writing Center (UWC) at Texas A&M University–Central Texas (TAMUCT) is a free workspace open to all TAMUCT students from 10:00 a.m.-4:00 p.m. Monday thru Thursday with online only hours Monday thru Thursday from 6:00-9:00 p.m.

Tutors are prepared to help writers of all levels and abilities at any stage of the writing process. While tutors will not write, edit, or grade papers, they will assist students in developing more effective composing practices. By providing a practice audience for students’ ideas and writing, our tutors highlight the ways in which they read and interpret students’ texts, offering guidance and support throughout the various stages of the writing process. In addition, students may work independently in the UWC by checking out a laptop that runs the Microsoft Office suite and connects to WIFI, or by consulting our resources on writing, including all of the relevant style guides. Whether you need help brainstorming ideas, organizing an essay, proofreading, understanding proper citation practices, or just want a quiet place to work, the UWC is here to help!

Students may arrange a one-on-one session with a trained and experienced writing tutor by visiting the UWC during normal operating hours (both half-hour and hour sessions are available) or by making an appointment via WCOnline. In addition, you can email Dr. Bruce Bowles Jr. at bruce.bowles@tamuct.edu if you have any questions about the UWC and/or need any assistance with scheduling.

**University Library.**
The University Library provides many services in support of research across campus and at a distance. We offer over 200 electronic databases containing approximately 250,000 eBooks and 82,000 journals, in addition to the 85,000 items in our print collection, which can be mailed to students who live more than 50 miles from campus. Research guides for each subject taught at A&M-Central Texas are available through our website to help students navigate these resources. On campus, the library offers technology including cameras, laptops, microphones, webcams, and digital sound recorders.

Research assistance from a librarian is also available 24 hours a day through our online chat service, and at the reference desk when the library is open. Research sessions can be scheduled for more comprehensive assistance, and may take place on Skype or in-person at the library. Assistance may cover many topics, including how to find articles in peer-reviewed journals, how to cite resources, and how to piece together research for written assignments.

Our 27,000-square-foot facility on the A&M-Central Texas main campus includes student lounges, private study rooms, group work spaces, computer labs, family areas suitable for all ages, and many other features. Services such as interlibrary loan, TexShare, binding, and
laminating are available. The library frequently offers workshops, tours, readings, and other events. For more information, please visit our Library website [http://tamuct.libguides.com/index].

OPTIONAL POLICY STATEMENTS:

A Note about Sexual Violence at A&M-Central Texas
Sexual violence is a serious safety, social justice, and public health issue. The university offers support for anyone struggling with these issues. University faculty are mandated reporters, so if someone discloses that they were sexually assaulted (or a victim of Domestic/Dating Violence or Stalking) while a student at TAMUCT, faculty members are required to inform the Title IX Office. If you want to discuss any of these issues confidentially, you can do so through Student Counseling (254-501-5955) located on the second floor of Warrior Hall (207L).

Sexual violence can occur on our campus because predators often feel emboldened, and victims often feel silenced or shamed. It is incumbent on ALL of us to find ways to actively create environments that tell predators we don’t agree with their behaviors and tell survivors we will support them. Your actions matter. Don’t be a bystander; be an agent of change. For additional information on campus policy and resources visit the Title IX webpage [https://www.tamuct.edu/departments/compliance/titleix.php].

Behavioral Intervention
Texas A&M University-Central Texas cares about the safety, health, and well-being of its students, faculty, staff, and community. If you are aware of individuals for whom you have a concern, who are exhibiting behaviors that pose a threat to safety, or individuals causing a significant disruption to our community, please make a referral to the Behavioral Intervention Team. You can complete the referral online [https://cm.maxient.com/reportingform.php?TAMUCentralTexas&layout_id=2].

Anonymous referrals are accepted. Please see the Behavioral Intervention Team website for more information [https://www.tamuct.edu/student-affairs/bat.html]. If a person’s behavior poses an imminent threat to you or another, contact 911 or A&M-Central Texas University Police at 254-501-5800.

INSTRUCTOR POLICIES.
- You are not required to attend class, if you choose to attend class you are expected to arrive on time.
- I do not accept late assignments and any calculator with communication features is strictly prohibited.
- Electronic devices are permitted in class for note taking purposes only!

Copyright Notice.
Students should assume that all course material is copyrighted by the respective author(s). Reproduction of course material is prohibited without consent by the author and/or course
instructor. Violation of copyright is against the law and Texas A&M University-Central Texas’ Code of Academic Honesty. All alleged violations will be reported to the Office of Student Conduct.