

**Course Syllabus**

**Semester: Fall 09**

**Course: CM 3620**

**Construction Course Title: Construction Finance and Feasibility 4 – 0 – 4**

**Prerequisite(s): ACCT 2101**

**Classroom: H 321**

**Class Periods: Wednesday & Friday 8:05 to 9:55**

**Text: Finance For Construction Management – Seventh Edition**

**By: John Mench Ph.D., PE**

**Grading Policy:**

A = 90 to 100

B = 80 to 89

C = 70 to 79

D = 60 to 69

F = 0 to 59

examinations 20%,

final 20%,

practical exercises and presentations 40%,

homework 10%,

class participation 10%

total 100%

students are expected to be to class on time and to participate

**Instructor: Dr. John Mench**

**Office: Room #H331**

**Office Hours: Wednesday, Thursday and Friday - as posted**

**Telephone: 678-915-7289**

**Fax: 678-915-4966**

**E-mail: [jmench@spsu.edu](mailto:jmench@spsu.edu)**

\*\*Required for Capstone

<b>Class</b>	<b>Date</b>	<b>Subject of Lecture/Lab</b>	<b>Assignments Due</b>	<b>Reference(s)</b>
1 **	14 Jan 09	Introduction - Ethics Formation of a Construction Co.	Stock Market Updates weekly	Chapter 1
2	16 Jan 09	Stock market	Problems Ch 1	A.J.C.
3 **	21 Jan 09	Business Plan for a construction Co.		Chapter 2
4	23 Jan 09	Construction Estimating	Problems Ch 2	Chapter 3
5	28 Jan 09	The Cost for an Additional Employee		Chapter 3
6	30 Jan 09	Partners in Construction	Problems Ch 3	Chapter 4
7 **	4 Feb 09	Construction Project (Rev – Exp)		Chapter 5
8	6 Feb 09	Practical Exercise One	Problems Ch 4	Handout - Cashflow
9 **	11 Feb 09	Percent of Completion		Chapter 6
10 **	13 Feb 09	Billing the Owner	Problems Ch 5	Chapter 7
11 **	18 Feb 09	Development Costs		Chapter 8
12	20 Feb 09	Practical Exercise two & Facilities Management	PE #1 & Problems Ch 6	Handout - billing
13	25 Feb 09	Examination One		Chapter 9
14	27 Feb 09	Const. Financial Statements Journal	Problems Ch 7	
15 **	4 Mar 09	Income Statement		Chapter 9
16 **	6 Mar 09	Balance Sheet	Problems Ch 8	Chapter 9
17 **	18 Mar 09	Ratio Analysis		
18 **	20 Mar 09	General and Administrative Expenses	Problems Ch 9	Chapter 10
19	25 Mar 09	Practical Exercise Three The Cost of Money	PE #2	Expenses (project, G&A)
20	27 Mar 09	Construction Project Financial Data	Problems Ch 10	Chapter 5
21	1 Apr 09	Development Project Financial Data		Chapter 8
22	3 Apr 09	The Cyclic Nature of Construction	Problems Ch 11	
23	8 Apr 09	Examination Two	Practical exercise 3	
24	10 Apr 09	Contractor Management Reports coding – PE #4	problems Ch. 12	Chapter 12
25**	15 Apr 09	Contractors Management Reports		
26	17 Apr 09	Owners Management Reports	problems Ch. 13	Chapter 12
27	22 Apr 09	Feasibility		Chapter 13
28	24 Apr 09	Construction Equipment	problems Ch. 14	Chapter 14
29	29 Apr 09	Analysis of NCI's Financial Statements	problems Ch. 15 & PE#4	Chapter 15
30		Current Financial Events & Review		

NOTE: *This syllabus is intended to represent the general format of the class. The instructor may make changes if it is determined that such changes will better suit the needs of the students.*

**Catalog Description:** A study of financial management for the contractor or developer as it relates to project management. Topics include: cash flow, financial journals, income statements, balance sheets, completed contract and percent of completion methods of viewing a construction project, and the billing process. Financial ratio analysis using the construction industry as a benchmark; bid, performance, and payment bonds will also be included. Emphasis will be placed on using the financial data to make project management decisions that will increase project efficiency and profitability.

**Course Structure/Approach:** This is a lecture class that encourages discussion (participation). Two test and a final will be offered.

**Course Outcomes:** By the end of the course the student should be able to:

1. create a report that will help a project manager control a construction/development project (cost & schedule).
2. prepare a project feasibility analysis
3. prepare a cashflow analysis of a construction project
4. prepare a bill to be sent by a construction management company to a developer/owner

**Specific Requirements for the Course:** Four practical exercises and a stock market exercise. Homework assignments from the book are due each week.

**Final examination:** Refer to the university schedule for date

**Additional Notes:**

*NOTE 1*

*The course description and course schedule handouts provide the general framework for the course. However, the instructor reserves the right to make any modifications or changes to the course, depending on the class progress, or on any special circumstance that may arise during the semester.*

*NOTE 2*

*There will be no curve for the final grade, only straight averages. The minimum cutoff for an A is 89.5% and above; for a B is 79.5% and above; for a C is 69.5% and above; and for a D is 59.5% and above. Anything below 59.5% is considered an F. The instructor reserves the right to lower these cutoff values depending on specific circumstances surrounding the overall performance of the class.*

*NOTE 3*

*Students with disabilities who believe that they may need accommodations in this class are encouraged to contact the counselor working with disabilities at (678) 915-7226 as soon as possible to better ensure that such accommodations are implemented in a timely fashion.*

*NOTE 4*

*It is assumed that by this time in the student's matriculation, he/she is well-versed with what constitutes plagiarism. Proper citation of references is required for this and all your coursework in the CNST program. Failure to comply with this requirement may result in disciplinary action.*

