

SPM 4515: Sport and Business Finance

Fall 2018 Syllabus

Department of Tourism, Recreation and Sport Management
School of Health and Human Performance
University of Florida

Instructors: Hojun Sung, PhD

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Time: Tuesday 9:35 – 11:30 a.m. (Period 3-4) & Thursday 10:40 – 11:30 a.m. (Period 4)

Location: Florida Gym (FLG) 210

Office Hours: Tuesday & Thursday 2:00 – 4:00 p.m. (Florida Gym 206H)

Final Exam: Friday, December 14, 2018, 12:30 am – 2:30 p.m. (FLG 210)

Required Text & Materials:

- Winfree, J.A. & Rosentraub, M.S. (2011). Sports Finance and Management. CRC Press (Taylor & Francis Group): Boca Raton, FL.

I. Class Rationale

With the massive growth of revenues within the sports industry over the past 20 years, competent managers within the sport industry must have a sound understanding of finance topics—loosely defined as the management of money—and how to use them in their everyday managing duties. This class will equip aspiring sport managers with the skills to enhance their financial decision making in a management role, applying concepts to the continually evolving landscape of the sports industry.

By the end of this course, the student will a) Understand basic financial concepts b) Know when to use each of these concepts in a management situation and c) Have the ability to communicate what these results mean in business from a decision-making standpoint.

II. Course Aims and Objectives

It is important for the student to distinguish between accounting and finance. We will focus specifically on decision making with respect to financial considerations, with real-world and hypothetical problems based within the sports industry. While this class is geared toward some unique aspects of the sport industry, the skills acquired here will help with making decisions in any business platform.

This class will require math. However, the point is not to have you memorize financial formulas or check to see if you can multiply or divide (though, there will be some of that). If you are here at Florida, you most likely have shown that you know the answer to “two-plus-two”.

These days, a computer (or calculator) can do most of that for you anyway. We will focus on setting up our finance problem, calculating the answer, and communicating how that answer is important to the management decisions under consideration. If you ever have trouble/questions with respect to the mathematics involved (or anything else), I am here to help! Multiplication and exponents should not be a hindrance to learning financial concepts and their management applications.

Whether you become a general manager, marketing manager, or ticket sales representative, this course will provide you with an understanding of what you need to do to improve businesses from a financial standpoint. The ability to apply these financial concepts could be the difference between getting a promotion and staying put in a current job. While we will relate concepts to business, *many of the issues we talk about could even help you in your own personal finance decisions*. So I would strongly suggest paying attention.

III. Course Requirements

Attendance and Participation Policy

Students are expected to attend all classes and arrive to class on time. If you are absent for any reason, it is ***your responsibility*** to check with other students concerning any assignments or announcements that you might have missed. Your attendance and participation in class are essential for the learning process. This class will include occasional group and collaborative work with fellow students. Students are expected to attend class regularly and participate fully in discussions. You are responsible for everything discussed in class, including—but not limited to—class material and assignments.

Current Events

Each day, one or more students will be assigned to present a Current Event that relates to what we are talking about in our Sport Finance class. This can be anything in the current news that interests you related to sports and finance. You will be required to give a **5 minute** presentation of the background of the event and how it applies to our class. Most of the grade for this assignment will be based on your ability to communicate the problem, relate it to relevant class topics, and lead the class in discussing ways to address this problem from a sport management/sport finance point of view. Additionally, Current Events require a 2 page write-up of the event (and citation of your sources), and bring 2 questions for class discussion. *Please do not just summarize (or copy) the article itself.*

Homework Problems

I will assign bi-weekly homework problems for you to practice for exams. These will be graded based on accuracy of answers and effort put into the assignment. If you can get through the homework problems, you will do very well on the exams in the class.

You are expected to show all of your work in your homework. I want you to show me how you set up your problem (for example, how to set up a present value question initially). Most of the multiplication and tedious details will be done on the calculator. No credit will be given to answers without first showing how the problem was approached.

You are encouraged to work together on homework problems with other members of the class. However, each person must turn in their own answers on the day the homework is due. Printed homework using MS Word Document is highly recommended.

Quizzes

To both evaluate and assist in the learning process, there will be a random quizzes given in class about the topics discussed in the previous class sessions. ***These will be part of your grade.*** They also contribute to monitoring your attendance at class. Missed quizzes cannot be made up, but can be waived in emergency situations (see Course Expectations below). Treat these as a way to stay current with the lectures and topics we are talking about. If you do well on the quizzes, likely ace the exams.

Exams

There will be a midterm and a final exam for the class. The final exam will be comprehensive and include mostly multiple choice with 1 or 2 detailed short answer questions about decisions to be made as a sport manager based on financial information provided. The exams are **not** open book, and you will need your calculator. Smart phone calculators are **not** allowed on exams or quizzes.

Course Expectations:

- Students are expected to have read any assigned readings prior to our discussions of the assigned topic.
- Make-up tests and exams are rarely given and will be different from the standard test. Documented problems should be discussed with the instructor prior to the test, or in the extremely rare case of an emergency which prevents contacting the instructor prior to the test, as soon as possible.
 - Examples of excused absence: Hospital visit or severe sickness (with official doctor's note); unavoidable family issues (i.e. funerals); Religious Holidays
 - Examples of unexcused absence: Weddings (including your own!), football games, arguments with your significant other, forgetting about the test, forgetting to study for the test
 - I reserve the right to add anything not listed above.
- All assignments are due at the beginning of class on the date specified. If you plan to be away and unable to turn in an assignment online, be sure to turn in the assignment before you leave. **Late assignments will not be accepted (subject to make-up exam rules).**
- Please **do not** text-message during class. Silence your phone. Computers are **not necessary** in class. Put them away.

IV. Academic Integrity Statement

“We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity. The university requires all members of its community to be honest in all endeavors. A fundamental principle is that the whole process of learning and pursuit of knowledge are diminished by cheating, plagiarism and other acts of academic dishonesty.”

Each student has a responsibility to understand, accept, and comply with the University and College’s standards of academic conduct. Examples of academic misconduct:

- **Cheating:** Use or attempted use of unauthorized materials, student aids or information in any academic exercise.
- **Fabrication:** Falsifying or inventing information or data in an academic assignment.
- **Collusion:** Aid or attempt to aid another student in committing academic misconduct.
- **Interference:** Preventing another student’s work from being completed or evaluated properly.
- **Plagiarism:** Use of ideas, words or statement of another person without giving credit to that person.

Violations will not be tolerated and may result in penalties may include (but are not limited to):

- *A zero on the exam/project, a failing class grade, community service, university expulsion*

V. Religious Holiday Policy

It is my policy to make every reasonable effort to allow members of class to observe their religious holidays without academic penalty. Absence from classes or examinations for religious reasons does not relieve you from responsibility for any part of the course work assigned while absent. If you expect to miss a class, exam, or other assignment as a consequence of religious observance, you shall be provided with a reasonable alternative opportunity to complete such academic responsibilities without penalty, unless it interferes unreasonably with the rest of the class. **It is your obligation to provide me with reasonable notice of the dates of religious holidays on which you will be absent ahead of time.** Such notice must be given by the end of the fourth week of class (but preferably as soon as possible so we can schedule the make-up assignment dates that will work best for you).

VI. Accommodations for Students with Disabilities

If you need accommodations for a disability, please let me know as soon as you can. Some aspects of this course, the assignments, the in-class activities, or the way I teach may be modified to facilitate your participation and progress. To help determine the most appropriate accommodations for you, we can make use of the University of Florida Disability Resource Center at: <http://www.dso.ufl.edu/drc/>. Please provide a DRC letter to me regarding the necessary accommodations for you in class (especially pertinent for exam accommodations). Be assured that I will treat any information about your disability as private and confidential.

VII. Course Evaluation

Attendance/Quizzes	10% of Overall Grade
Current Events	20% of Overall Grade
Homework	20% of Overall Grade
Exam 1	25% of Overall Grade
Exam 2	25% of Overall Grade

A	> 93.0%	C	73.0% - 76.9%
A-	90.0% - 92.9%	C-	70.0% - 72.9%
B+	87% - 89.9%	D+	67.0% - 69.9%
B	83.0% - 86.9%	D	63.0% - 69.9%
B-	80.0% - 82.9%	D-	60.0% - 62.9%
C+	77% - 79.9%	E	< 60.0%

- Rounding will be based on **attendance, participation** and overall **effort** given in the class.
- Rounding is **not** subject to negotiation. Do not ask me to give you a grade. Earn it.

Current UF grading policies can be found at the undergraduate catalog webpage:
<https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx>

Course Schedule

<u>Week</u>	<u>Topic(s)</u>	<u>Assignment Due</u>	<u>Reading</u>
Aug. 23 – 30	Introduction to Finance Sport Finance		Chapter 1
Sep. 4 – 6	Business/Ownership Structures		Chapter 4 Chapter 7
Sep. 11 – 13	Financial Systems and Markets Obtaining Funding and Credit		Chapter 8 Chapter 2
Sep. 18 – 20	Taxes	Homework #1 (Sep. 20)	Chapter 5
Sep. 25 – 27	Taxes Depreciation		Chapter 12 (426-437)
Oct. 2 – 4	Financial Analysis	Homework #2 (Oct. 4)	Chapter 3
Oct. 9 – 11	Financial Analysis		Chapter 11
Oct. 16 – 18	MIDTERM EXAM (Oct. 16)	Homework #3 (Oct. 16)	
Oct. 23 – 25	Risk & Risk Management		Chapter 5 Chapter 6
Oct. 30 – Nov. 1	Risk & Risk Management		
Nov. 6 – 8	Time Value of Money	Homework #4 (Nov. 8)	Chapter 9
Nov. 13 – 15	Time Value of Money		
Nov. 20 – 22	No Classes (Thanksgiving Holidays)		
Nov. 27 – 29	Public Financing and Econ. Impact	Homework #5 (Nov. 29)	Chapter 10
Dec. 4	<i>Exam Review</i>		
Dec 14 (Friday)	FINAL EXAM (12:30 am – 2:30 pm)		

***Note:** Due dates of homework assignments may change, subject to progress in the lectures. Students will be notified of any changes.

The instructor reserves the right to make changes to the syllabus and class outline. Students will be given notice of any changes