

Western State College of Law  
Corporate Finance & Accounting for Lawyers  
Law 460A  
Spring 2018 Syllabus

Wednesday 4:15 p.m. – 6:15 p.m.  
Room: TBA  
Professor John Ohashi

Business and financial principles, such as cost/benefit analysis, time value of money, and accounting play significant roles in clients' business transactions and in how lawyers and clients plan litigation strategies and settlements. A lawyer's knowledge of business and financial principles is essential to providing effective legal advice. The class: (1) introduces students to basic business, financial, and accounting principles that are essential to the practice of law; (2) explores the interrelationships between legal and business/financial issues; and (3) develops skills to integrate business and legal issues in client communications. The financial principles discussed in class are also applicable to the students' own personal financial planning.

The class incorporates the Western State College of Law – Programmatic Learning Outcomes and Argosy University – Institutional Learning Outcomes, which are attached to this syllabus.

### **Required Text Book**

Fundamentals of Financial Management (14th ed.) by Brigham & Houston. All references to Chapters in reading assignments refer to the text book.

### **Required Financial Calculator**

Students must have a financial calculator by the sixth week of class. The class will discuss this requirement before the sixth week.

### **Class Preparation**

Students are expected to complete reading assignments before class. As stated in the Grading section below, students will have homework assignments that track the reading assignments and a stock portfolio project that must be submitted weekly. Students can expect, on average, about 4 hours of class preparation for each week's class. The preparation can take the form of reading assignments and homework, preparation of the weekly stock portfolio project, and study time for class quizzes and the final exam.

### **Email**

Emails from students to me regarding the class are treated as though the student asked a question or made a comment during class. Any email sent to me regarding the class, including,

but not limited to general questions regarding homework assignments and quizzes are not confidential and your email and my response may be shared with the class. If your email is personal, then you must state so in the email, and I will not share your email or my response with the class.

## **Grading**

Grades are based on:

(1) In class quizzes and final exam. The quizzes and final exam will consist of essay and multiple choice questions. The final exam will be cumulative and cover all topics discussed during the semester. If a student's final exam score exceeds the average score of the student's quizzes then the student will get the final exam score. If a student's final exam score is less than the student's quiz average score, then the quiz average score will be averaged with the final exam score to determine the student's final score. The essay portion of the final exam may consist of a sit-down essay or a take-home paper; and

(2) Up to 0.2 bonus points will be added to a student's final score for **TIMELY** completion and submission of **ALL**: (a) assigned homework problems; and (b) weekly class project (student stock portfolio analysis).

The final exam score and bonus points will be totaled and the student's final grade will be determined on a percentage basis. For example: 70 = 2.0; 75 = 2.5; 80 = 3.0; 83 = 3.3; 90 = 4.0.

## **Disability Services Statement:**

Western State College of Law provides accommodations to qualified students with disabilities. The **Disabilities** Services Office assists qualified students with disabilities in acquiring reasonable and appropriate accommodations and in supporting equal access to services, programs, and activities at Western State College of Law.

To seek reasonable accommodations, a student must contact Senior Assistant Dean Donna Espinoza, Student Services Director and Disabilities Services Coordinator, whose office is in the Students Services Suite 119. Dean Espinoza's phone number and email address are: (714) 459-1117; [despinoza@wsulaw.edu](mailto:despinoza@wsulaw.edu). When seeking accommodations, a student should notify Dean Espinoza of her or his specific limitations and, if known, her or his specific requested accommodations. Students who seek accommodations will be asked to supply medical documentation of the need for accommodation. Classroom accommodations are not retroactive, but are effective only upon the student sharing approved accommodations with the instructor or professor. Therefore, students are encouraged to request accommodations as early as feasible with Dean Espinoza to allow for time to gather necessary documentation. If you have a concern or complaint in this regard, please notify Dean Espinoza; or please notify Dean Allen Easley at [aeasley@wsulaw.edu](mailto:aeasley@wsulaw.edu) or (714) 459-1168. Complaints will be handled in accordance with the College of Law's "Policy against Discrimination and Harassment."

**Class Schedule (Subject to change at the Professor's discretion):**

- Week 1     **Read Chapter 1 before the first class** - An Overview of Financial Management; Discussion of differences (if any) between “Business” and “Legal” Issues; Forms of Business Organizations with emphasis on corporations
- Week 2     Read Chapter 2: Financial Markets and Institutions; Discuss Weekly Stock Portfolio Assignment
- Week 3     Quiz on Chapters 1 and 2  
Read: Chapter 3: Intro, 3-1; 3-2 The Balance Sheet; and 3-3 The Income Statement  
Homework due following week: Problems 3-1 and 3-2
- Week 4     Continuation of Financial Statements, Cash Flow, and Taxes;  
Read: 3-5 Statement of Stockholders' Equity; 3-6 Uses and Limitations of Financial Statements; Chapter 4; 4-1 Ratio Analysis; 4-2 Liquidity Ratios 4-2A Current Ratio; 4-2B Quick or Acid Test Ratio  
Accountants' Reports: Differences between Compilation, Review, Audit  
Homework due following week: Problems 3-3; 3-4; 3-9 (a), (b), and (d)
- Week 5     Quiz on Chapter 3  
Time Value of Money; Read Chapter 5, Sections 5-1 to 5-9  
Tutorial on use of financial calculators  
Homework: TBA
- Week 6     Time Value of Money; Read Chapter 5, Sections 5-10 to 5-17  
Homework: TBA
- Week 7     Review Chapter 5 TVM materials
- Week 8     Chapter 5 quiz  
Introduction to Chapter 6 Interest rates  
Homework: TBA
- Week 9     Spring Break – No Class
- Week 10    Review Chapter 6
- Week 11    Chapter 6 quiz  
Discussion of effective client communications (Lawyers inform, clients decide)  
Discuss practice essay exam for Week 12
- Week 12    In class practice essay exam (advisory grade only)

Week 13      **Tools to Understand Your Client's Business**

Economic Concepts:

- (i)      value
- (ii)     opportunity costs
- (iii)    sunk costs

Concepts to Understand Your Client's Business:

- (i)      product (margin) or service (fee based)
- (ii)     the importance of margin (buy low/sell high)
- (iii)    difference between "aspirin" and "vitamins"
- (iv)    market pull or product push (is it "sizzle" or "steak")
- (v)     start up costs and staying power
- (vi)    customers, growth, and competition
- (vii)   exit strategy issues (liquidation event; payday)

Week 14      Applying Corporate Finance Concepts to Personal Finances

View the following videos:

<http://www.wi65.org/>

<http://beta.morningstar.com/videos/798171/benz-building-your-retirement-portfolio-step-by-st.html>

<http://beta.morningstar.com/articles/799730/an-investing-road-map-for-early-career-accumulator.html>

Week 15      Review for final exam; Closing

## Western State College of Law – Programmatic Learning Outcomes

Western State College of Law’s curriculum is designed so that every student achieves a level of competency prior to graduation in each of the eight Programmatic Learning Outcomes listed below:

(1) **Doctrinal Knowledge**

Students will demonstrate knowledge of substantive and procedural law in the core curriculum subjects, including Contracts, Criminal Law, Criminal Procedure, Torts, Real Property, Business Association, Evidence, Civil Procedures, Constitutional Law, Estates, Community Property, Remedies, and Professional Responsibility.

(2) **Practice Skills**

Students will demonstrate the development of other law practice skills. Each student’s chosen outcomes within this category will be varied based on the student’s particular interests, coursework and work experiences. They may include, but are not limited to, the following topics: oral presentation and advocacy; interviewing; counseling; client service and business development; negotiations, mediation, arbitration, or other alternate dispute resolution methods; advanced legal research and writing (excluding purely academic papers and the first four units earned in introductory first-year legal research and writing class); applied legal writing such as drafting contracts, pleadings, other legal instruments; law practice management or the use of technology in law practice; cultural competency; collaboration or project management; financial analysis, such as accounting, budgeting project management, and valuation; cost benefit analysis in administrative agencies; use of technology, data analyses, or predictive coding; business strategy and behavior; pre-trial preparation, fact investigation, such as discovery, e-discovery, motion practice, assessing evidence, or utilizing experts; trial practice; professional civility and applied ethics; a law clinic that includes a classroom component; or a legal externship that includes a classroom component.

(3) **Legal Analysis**

Students will demonstrate the ability to identify the factual and legal issues implicated by a fact pattern and to appropriately use cases (including identifying the salient features of an appropriate precedent case, identifying legally significant similarities or differences between the precedent case and a fact pattern and explaining why those are legally significant) and rules (including the ability to connect legally significant facts in a fact pattern to the rule) to predict how a court would decide the issue. Students will also demonstrate the ability to identify and evaluate the public policies of a precedent case or rule, and be able to evaluate how public policy can impact the application of a rule to the legal issue.

(4) **Legal Research**

Students will demonstrate the ability to locate relevant legal authority using a variety of book and electronic resources, and to properly cite to such legal authority.

(5) **Communication**

Students will demonstrate the ability to communicate both orally and in writing in a manner appropriate to a particular task to effectively convey the author or speaker's ideas. This includes audience sensitivity in written and oral communication (the ability to adopt a tone, style and level of detail appropriate to the needs, knowledge and expertise of the audience); and written communication basic proficiency (the ability to use the conventions of grammar, spelling, punctuation, diction and usage appropriate to the task and sufficient to convey effectively the author's ideas).

**(6) Advocacy of Legal Argument**

Students will demonstrate the ability, in both oral and written formats, to evaluate the legal, economic and social strengths and weaknesses of a case and use case and statutory authority as well as public policy to persuade others. Making policy-based arguments includes the ability to identify and evaluate the public policies of a precedent case or rule and their implications, and be able to assert such appropriate arguments to support a particular application or distinction of a precedent case to a legal controversy or a particular resolution of the application of a rule to the legal controversy.

**(7) Client Sensitivity and Cultural Competency**

Students will demonstrate an awareness of clients' needs and goals, including a sensitivity to clients' background and circumstances (including, but not limited to, socio-economic, gender, race, ethnicity, educational, disability and/or religious background(s)), the ability to make decisions that reflect an appropriate focus on those needs and goals, and awareness that cultural issues may affect the relevance of facts and application of the law.

**(8) Legal Ethics**

Students will demonstrate the ability to identify ethical issues in law practice contexts and make appropriate decisions to resolve such issues.

## **Argosy University**

### **Institutional Learning Outcomes:**

#### **1. Analytical Reasoning**

Analyze issues objectively, interpret and synthesize data and ideas, and develop feasible, flexible, and creative solutions to real world problems

#### **2. Effective Communication**

Identify audiences, assess information provided, interpret needs, and present relevant information using appropriate written, oral, and listening skills and media to meet the needs of the situation

#### **3. Information Competency**

Gather, evaluate, and ethically use information from a variety of relevant technological and library resources to make decisions and take action

#### **4. Interpersonal Effectiveness**

Develop individual and group interpersonal skills to improve and foster participation and interaction critical for achieving individual and group goals

#### **5. Personal and Professional Integrity and Ethical Behavior**

Demonstrate a multi dimensional awareness of individual and social responsibility to act ethically and with integrity in a diverse, global society.

#### **6. Professional Competence**

Apply skills appropriate to program objectives and employ critical reasoning to

contribute to one's field and profession.