

**BCN4753
CONSTRUCTION FINANCING**

NOTE: BCN4753 Construction Finance was developed to enhance your understanding of financing and managing a company's money to better evaluate its' profitability. Construction Financing is a key element in assisting construction companies if a operations are profitable. Whether you decide to open your own construction company or work for someone else, Construction Financing will be an important factor contributing to your success. As such, the phrase "Construction Financing" is broadly construed to include all aspects of the business of construction contracting and construction financial management.

DESCRIPTION: Basic principles and applications of construction ownership and business management. Emphasis is placed on financial management, risk management, labor law, workers' compensation, and markup. Emphasis will also be placed on construction accounting competencies necessary to pass the State of Florida General, Builder and Residential Certified Contractor examination, business and financial administration section.

SUGGESTED TEXT: Florida Contractor's Manual 2009*
AIA Document G-702, G-703 - Application and Certification for Payment, 1997 edition.

* CILB required texts for State of Florida General, Building and Residential Certified Contractor examination, Business and Financial Administration section. The complete list of texts is available at:
<http://www.myfloridalicense.com/dbpr/pro/cilb/index.html>

OTHER NEEDS: Computer, Excel™ Software

COURSE REQUIREMENTS:

Lectures will be provided in one hour segments, three times per week. Guest lectures and supplementary material will be provided in class only. Instructor places particular importance on class attendance and attendance is imperative to receiving the highest possible letter grade. Grades will be based on total points earned during the course of the semester from all approved sources. The ways to earn points includes but is not limited to attendance, exams, and quizzes, community service and student club participation. Any assignment submitted late will not be accepted. Class attendance, participation and performance are all equally valued and necessary to satisfactorily complete this course.

BCN STANDARD GRADING SCALE:

	93 - 100.0	A
	90 - 92.9	A-
	87 - 89.9	B+
	83 - 86.9	B
	80 - 82.9	B-
	77 - 79.9	C+
	73 - 76.9	C
	70 - 72.9	C-
	67 - 69.9	D+
	63 - 66.9	D
	60 - 62.9	D-
	Less than 60	E

In an effort to standardize undergraduate course grading expectations, the faculty of the Rinker School established the following grading scale for all undergraduate courses.

OFFICE HOURS: By Appointment
OFFICE 314 Rinker Hall
Office Phone: 352-273-1150
Email: zekecook@ufl.edu

Testing/Evaluation: Three Exams – Open Book – True False, Fill-in the blank -	300 points
Final Exam –	100 points
School Activities Attendance – Approximately -	200 points
Total Points –	600 points

COURSE OUTLINE AND SCHEDULE:

- a) Chapter 1 – Business Planning and Organization
 - Organizations/Structure - Guidelines
 - Business Plan
 - Dissolution Types – Partnership, Corporate

- b) Chapter 2 - Licensing
 - Regulation of Contractors in Florida
 - Penalties for Unlicensed Activity
 - Financial Responsibility Requirements
 - Business Licenses

- c) Chapter 3 – Financial Management
 - Financing the Construction Company - Capitalization
 - Records, Types of Contracts (BCN 3700 – Contracts)
 - Completed Contract Method
 - Financial Ratios
 - Equipment – Rent, Purchase or Lease
 - Methods Used to Evaluate Purchase Decision (Support Costs)
 - Payroll Record Keeping
 - Davis-Bacon Requirements
 - Simply Accounting – Balance Sheet, Income Statement

- d) Chapter 4 – Risk Management
 - Insurance and Bonding (BCN 3700 – Contracts)
 - The Risk Management Process
 - Insurances
 - Bonding

- e) Chapter 5 – Labor and Employment Laws and Regulations
 - Labor Management Relations
 - Right to Work
 - Fair Labor Standards Act
 - Employment Discrimination
 - Labor Law/s – Employee Benefits

- f) Chapter 6 – Workers’ Compensation
 - When Needed/Exemptions
 - Selecting Coverage
 - Employer Responsibilities
 - Financial Impact of Workers’ Compensation

- g) Chapter 7 - Safety

- Safety and Loss Control
 - OSHA (Separate BCN Course)
 - Employer Decision Making
- h) Chapter 8 – Construction Contracts and Liability
- BCN 3700 (Construction Contracts)
- i) Chapter 9 – Construction Lien Law
- BCN 3700 (Construction Contracts)
 - History/Overview
 - What is a Lien – Construction?
 - Florida Statute 713, Part One
- j) Chapter 10 - Project Management
- Estimating and Bidding (BCN 3611C and BCN 4612C)
 - Plans and Specifications – Project Documents
 - AIA G702/G703
 - Job Cost Records
 - Scheduling
 - Contract Administration
 - Job Responsibilities
 - Terms – Definitions
- k) Markup and Profit
- Home Office Overhead
 - Project Overhead
 - Forecasting Volume
- l) Marketing Plan
- Target Market – Public/Private/Mix
 - The Ever Changing Market Place

The instructor reserves the right to change, alter or modify the course requirements to best meet the needs of the students.

FINAL EXAM:

SCHEDULED: 50 question open-book exam, 2 -hour time limit. Patterned after State of Florida General, Builder and Residential Certified Contractor examination, business and financial administration section.

We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity. On all work submitted for credit by students at the university, the following pledge is either required or implied: "On my honor, I have neither given nor received unauthorized aid in doing this assignment."