

SAM HOUSTON STATE UNIVERSITY
COLLEGE OF BUSINESS ADMINISTRATION
DEPARTMENT OF GENERAL BUSINESS AND FINANCE

COURSE SYLLABUS
FALL 2007

COURSE NUMBER: GBA281

COURSE TITLE: Legal Environment

PREREQUISITES: None

INSTRUCTOR: Robert (Chip) Matthews, J.D./C.P.A.

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OFFICE HOURS: 11:00-12:00 AM, Mon/Wed/Fri, and by appointment

REQUIRED TEXTS

Clarkson/Miller/Jentz/Cross, *West's Business Law*, 10th Edition, Thomson-Southwestern, 2004 (either complete hardback version or split softback version).

SUPPLEMENTAL READING

Stowe, *Legal Environment Survival Handbook*.

Strunk and White, *The Elements of Style* (any edition).

Jones and Ferrill, *The Seven Layers of Integrity*, Bloomington, IN, USA, Author House, 2006.

Wall Street Journal or *Financial Times*

Fortune or *Business Week* or *Forbes*

Time or *Newsweek* or *The Economist*

Other as announced in class.

CAVEAT

The professor reserves the right to waive any of the policies and procedures in this syllabus in isolated cases, for what he believes to be good reason, based upon specific facts and circumstances. Waiver of a particular policy or procedure in one case does NOT mean or imply either:

- (1) That other policies and procedures will be waived; or*
- (2) That the same policy or procedure will be waived in any other case or cases.*

COURSE DESCRIPTION

1. This course covers the legal environment. Every single management, business, and personal decision has legal implications. The legal implications are the most important environmental factor in strategic management. Few companies have ever gone bankrupt and even fewer people have ever been jailed for failure to comprehend quantitative methods or academic management theories. However, many businesses have been destroyed and many people have ended up in jail out of their failure to practice preventive law or from their failure to comprehend the importance of integrating legal and ethical environment considerations in their decision-making.
2. ***This is a college-level course in an area where few students have much formal background. To succeed, you must:***
 - ***Read the assigned materials prior to class,***
 - ***Come to class on time,***
 - ***Pay attention and not disrupt others, and***
 - ***Do the required work.***
3. A portion of the work to be graded in this class will be performed in groups. Every member of a group will be held responsible for overall group performance.
4. The textbook is a serious reference book. Each of its chapters is basically a summary of materials that form a semester course at law school. It is a valuable reference for future business and management courses, and for success in the “real world.”.

COURSE OBJECTIVES

Upon completion of this course, students will be expected to:

1. Develop the ability to recognize legal problems.
2. Develop an understanding of the process of determining what are legal vs. ethical issues and how the difference impacts decision making.
3. Recognize when and how federal and state statutory, administrative, and common law impinge on personal and professional decision-making.
4. Develop the analytical thinking process through the application of legal concepts in the resolution of legal disputes.
5. Develop the ability to research current law, rules, and regulations related to specific issues.

This course is not designed to make you a lawyer, or to prepare you for law school. It is designed to prepare you to recognize situations in your life after graduation where legal counsel should be consulted before you do something that you may regret later.

GRADING POLICY

Grades will be assigned as follows:

A	89.5-100 points
B	79.5-89.4 points
C	69.5-79.4 points
D	59.5-69.4 points
F	Below 59.5 points

Grading will be based on the following:

5-7 tests during the semester	40 points
Final exam	30 points
Group projects	20 points
Attendance/Participation	<u>10 points</u>
TOTAL	<u>100 points</u>

Further information about each of these components is as follows:

Tests - Tests may be announced or unannounced, and each will take about half of one class period to complete. Tests will be primarily if not exclusively true/false and multiple-choice. There will be 5 to 7 tests during the semester. Your worst test score will be dropped. There will not be makeup tests. If you miss one test, that is the test you drop. If you miss more than one test, see "Extra Credit" below.

Final Exam - The final exam will be a comprehensive examination covering the entire semester. It will include a mix of true/false, multiple-choice and essay questions.

Group Projects - In whatever career path you choose, your ultimate success in the "real world" will depend not only upon your knowledge, but also upon your skills and abilities in writing, making presentations, and interacting as a member of a team. Your professor assumes that, if given the choice of being rich or poor, most of you would choose to be rich. Therefore, you will be required to exercise your writing, presentation, and teamwork skills by participating in a number of group projects during this course. For each project, each project team will:

- Prepare a 3-5 page written report addressing the assigned topic, and
- Make a 10-minute oral presentation of findings and conclusions to the class

Additionally each team member will submit a one-page report

- Detailing what he or she learned from participation in the project, and
- Identifying which teammates were most and least valuable

Projects will be graded on a pass-fail basis, and each team will pass or fail as a whole. ***If your team places the success of your project in the hands of an unreliable team member, your entire team will be penalized. If that occurs, it is your problem not mine, just as it will be in the "real world" after graduation.*** Grades for individual team members may be adjusted up or down from the team norm based upon the professor's evaluation of the individual's performance as a team member and upon the brief summary prepared by each individual. Note that for group projects the use of ANY LAWFUL SOURCE for information or reference is acceptable.

Participation - Each chapter of your textbook contains one or more summaries of actual cases. These cases will be taught using the Socratic method of recitation, similar to that used in law school. This is done with the objectives of (1) preparing those of you who may go to law school for the method of instruction used there, and (2) giving those who do not go to law school an understanding of how lawyers are educated and therefore how they think. You will be expected to brief the case in advance (using a method that will be taught in class) and you will be evaluated based on how well you are prepared and how effectively you participate. If you are absent, your participation score will be zero for that date.

Pass-Fail - Certain activities may be graded on a "pass-fail" basis. In such cases, the average grade for "pass" will be 80 and the average grade for "fail" will be 50. For group projects graded on a "pass-fail" basis, scores for individual group members may be adjusted up or down from the norm.

Extra Credit - If you miss two or more tests, or if you would like to earn extra credit, I will assign a research paper on a current events topic. The paper must be 5-10 pages in length, and will require you to cite at least 3 news articles, at least 3 statutes, and at least 3 court decisions. This will be a significantly more difficult assignment than the test, and that is intentional, so that you will show up to take the tests.

This is a web-enhanced class. There may be a mix of in-class and web-based tests.

GRADING POLICY IS SUBJECT TO CHANGES WHICH WILL BE ANNOUNCED IN CLASS AS CIRCUMSTANCES REQUIRE.

CLASS POLICIES

You may find a more detailed description of university policies or in the current Sam Houston State University catalog.

If you don't care enough about yourself to do what you need to do to pass the course, the least you can do is care enough about your classmates to allow them to do it. To that end, the following procedures will be observed in order to facilitate a positive classroom environment:

1. University regulations prohibit smoking, food, or drink in the classroom.
2. Class will start promptly at the assigned time;
3. Ten Minute Rule: If for any reason the professor is late for class, the class will be expected to wait quietly for 10 minutes before leaving. Before leaving, one student should report to Dr. James's secretary to inquire as to the status of class for that day.
4. To ask a question or indicate a desire to participate, raise your hand. Merely speaking up is not appreciated in large classes, no matter how important what you have to say is.
5. You are required to have a textbook. No textbook = automatic failure. You will need to bring your textbook to class.
6. If you bring your cell phone into the classroom, it must be turned off. Not vibrate, not silent - OFF.
7. No earphones or other devices are permitted in your ears during class, except for aids for hearing impaired students.
8. If you come into class late, or if you anticipate having to leave the room during the class for any reason, sit as close to the door as possible to minimize disruption of others.
9. If you have concerns about a lecture, a class policy or procedure, or a test, please give me the courtesy of coming by to talk with me first. It is relatively easy to make an appointment by stopping me after class to discuss a mutually convenient time if my office hours are not convenient. If you are not satisfied with our discussion, then I will gladly go with you to the next level of administration. Your professionalism in this matter is greatly appreciated.
10. You are most welcome to come by during my regular office hours, or at other times by agreement. My office door should usually be open if I am in there. If it is closed, KNOCK and if I am in I will invite you to enter or open the door. Thank you!
12. My best form of communication is through the email. My email address is rbm003@shsu.edu.

Academic Dishonesty

Students are expected to maintain honesty and integrity in their academic experiences both in and out of the classroom. The following policies and procedures apply for all exams, tests, and other assignments:

1. Students with knowledge that others are cheating must report it or become accessories to the act.
2. If you become aware that anyone may be taking unfair advantage by cheating, you are invited to report any such information to me. Any information you provide will be kept CONFIDENTIAL and your identity will be protected. The purpose of this policy is to encourage an environment in which EVERYONE has a fair opportunity to do well by insuring that no one has an unfair advantage. Looking at another person's exam paper, writing after you have been instructed to stop, using non-permitted materials while taking exams, or getting help from a friend during an exam WILL NOT BE TOLERATED.
3. In the event that the professor witnesses cheating, appropriate action will be taken as circumstances require.
4. Special exam seating will be used if necessary.
5. If it's your work, claim it; if it's somebody else's work, attribute it.

Attendance Policy

Attendance in this class is expected as is stated in the latest Sam Houston State University catalog. ***The penalty for excessive absences is automatic failure.*** Also, those who miss a substantial number of classes will penalize themselves by missing material that will be discussed in class, that may or may not appear in the texts or outside readings, and over which the class will be tested.

The following specific provisions apply to this particular class only:

- Lateness Rule - Attend every class, even if you are late. The intent is to encourage you to come to class. If necessary to prevent abuse, frequent or repeated tardiness may result in penalty.
- Makeup Tests - There will be 5 to 7 tests during the semester, some or all of which may be unscheduled. Your lowest test score will be dropped. There will be no makeup tests. If you miss a class and a test is given that day, that will be the test you drop. If you miss a second test, you will need to contact your professor to work out an alternative.
- Excused Absences - There are no excused absences. You are either present or absent. Whether an absence is excused does not matter. Permission will not be given to miss a class. This system permits a reasonable number of absences for sickness and personal reasons. If you advise in advance of days which you will be required to miss for matters such as university functions, I will make reasonable efforts to avoid those days for tests or group assignments, but there are no guarantees.
- Sign-in Sheet - Attendance will be taken. Signing for another student who is not present is a violation and will result in disciplinary action. If you are late to a class, you may sign in after class, so don't skip class just because you are a few minutes late. Leaving a class without advance approval before it is over, for any reason other than immediate illness, may result in that class being counted as an absence. You should not schedule interviews, appointments, etc during class time.

In order to be certain of making your next class on time, you may remind me when the end of the class period has come.

Religious Holy Days

Students who are absent from class for observance of a religious holy day will be allowed to take an examination or complete an assignment scheduled for that day within one (1) week of returning to class. ***Not later than the 15th calendar day after the first day of the semester, the student must notify the instructor of each scheduled class day that he or she would be absent for a religious holiday.***

Students with Disabilities/Handicaps

It is the policy of Sam Houston State University that no otherwise qualified disabled/handicapped individual shall, solely by reason of his/her disability/handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any academic or Student Life program or activity. Students with disabilities/handicaps may request academic assistance when needed from the Committee for Continuing Academic Assistance for Disabled Students by visiting the Director of the Counseling Center in the Lee Drain Building Annex, or by calling extension 1720.

Visitors

Only registered students may attend class. Exceptions can be made by the professor on a case-by-case basis. In all cases, visitors must not disrupt class by their attendance. Students wishing to audit a class must arrange to do so through the Registrar's Office.

YOUR PROFESSOR

Robert (Chip) Matthews is licensed in Texas as both an attorney and a CPA. He received B.A. (Mathematics/Economics) and Master of Accounting degrees from Rice University and a J.D. from the University of Houston. He began his professional career with a major international public accounting and consulting firm, where he became a senior auditor. Subsequently, he has been senior analyst in utility and municipal finance with an engineering and construction management firm, manager of plans and budgets with a multi-national manufacturing company, consulting senior manager with another major international public accounting and consulting firm, and sole practitioner with his own accounting and law firms. He has most recently been vice-president and shareholder in the largest privately-held consulting firm in the areas of accounting, finance, and information technology the United States. His primary client service areas include merger and acquisition due diligence and assistance, regulatory and environmental law and accounting, utility and municipal finance, bankruptcy and turn-around advisory services, tax and business planning, commercial arbitration, and corporate governance. His clients have primarily been in the energy, public utility, government, healthcare, financial institutions, real estate, and construction industries. He has taught accounting at the university level. He is a retired Commander, U.S. Naval Reserve, and his leisure interests include sports, travel, and music. He is a sports statistician who has worked part-time for the Houston Oilers, the Houston Rockets, Rice University, University of Houston, Southwest Conference, USA Rugby, Fox Sports, and ESPN.

A FINAL WORD

Based upon 30 years of experience, I believe there are certain areas where universities do not prepare students well for success in the business world. I have discussed my thoughts with others in the business community, and we have agreed that universities need to prepare students better in the following areas:

- *Writing*
- *Speaking and making presentations*
- *Working as a member of a group*
- *Thinking outside the box*
- *Understanding and applying ethics*

This course, is specifically and intentionally designed to address each of those areas.

COURSE SCHEDULE AND ASSIGNMENTS

WEEK	WEEK OF	TOPICS
1	August 20-24	Introduction Chapter 1-Law and Legal Reasoning Chapter 5-Ethics
2	August 27-31	Chapter 2-Courts and ADR Chapter 3-Court Procedures Group Problem #1-Ethics
3	September 3-7	Labor Day Chapter 4-Constitutional Authority Exam #1 (Chapters 1-3,5)
4	September 10-14	Chapter 43-Administrative Law Chapter 52-International Law Group Problem #2-Voir Dire
5	September 17-21	Overview of Business Organizations Chapter 35-Sole Proprietorships/Franchises Chapter 36-Partnerships Exam #2 (Chapters 4/43/52)
6	September 24-28	Chapter 38-Corporations Chapter 37-LLC's/Special Business Forms Group Problem #3-Business Organizations
7	October 1-5	Chapter 6-Intentional Torts Chapter 7-Negligence/Strict Liability Exam #3 (Chapters 35-38)
8	October 8-12	Chapter 8-Intellectual Property Chapter 9-Criminal Law/Cyber Crimes Group Problem #4-Lawsuit/Contract
9	October 15-19*	Chapter 31-Agency Formation Chapter 32-Duty to Third Parties Exam #4 (Chapters 6-9)
10	October 22-26	Chapter 33-Labor Law Chapter 34-Employment Discrimination Group Problem #5-Lawsuit/Contract
11	October 29- November 2	Chapter 39-Directors/Officers/Shareholders Chapter 40-Mergers/Consolidation/Termination Exam #5 (Chapters 31-34)

WEEK	WEEK OF	TOPICS
12	November 5-9	Chapter 41-Securities Law/Corporate Governance Chapter 42-Law for Small Business Group Problem #6-Lawsuit/Contract
13	November 12-16	Chapter 46-Antitrust Law Chapter 47-Personal Property Exam #6 (Chapters 39-42)
14	November 19-23	Chapter 48-Real Property Thanksgiving
15	November 26-30	Chapter 49-Insurance Chapter 50-Wills/Trusts/Elder Law Exam #7 (Chapters 46-48)
16	December 3-7	Chapter 51-Professional Liability Review for Finals

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