

Belmont University – FIN3210 – Business Finance
Syllabus – Semester Spring 2017 – Page 1 OF 4

COURSE #: FIN 3210
INSTRUCTOR: Dr. Sean Yoo
CREDIT: 3 Hours
CLASS LOCATION: Classroom MC220, Massey Business Center
MEETING TIME: Section 03 – MW 2:00-3:15 p.m.
INSTRUCTOR'S OFFICE #, PHONE #, EMAIL ADDRESS: MC451, 460-6786, sean.yoo@belmont.edu (preferred contact method)
INSTRUCTOR'S OFFICE HOURS: M ~ 10:00-12:00, 15:30-17:00; W ~ 10:00-12:00, 15:30-16:30; F ~ 10:30-12:00
TEXTBOOK:

- Essentials of Corporate Finance, Ross, Westerfield & Jordan, 9th ed., 2016, McGraw-Hill Irwin
- Purchase an access code to Connect, an online homework management site, provided by McGraw-Hill. The code comes with a new textbook or can be purchased online in the following web pages:

Online registration instructions (registration dates 1/04/2017 ~ 1/31/2017)

Go to the following Web address, and complete the registration with the access code:

<http://connect.mheducation.com/class/s-yoo-2017-spring-mw-2pm>

- It is required to bring a laptop with Excel to class. If necessary, it could be arranged to borrow a laptop from the MCB computer center before each class and to return it after the class.
- A financial calculator with time value of money functions, internal rate of return, and irregular cash flows is also recommended for finance and other business majors: Texas Instruments BA II Plus or 83/84, HP 10bII or 17BII+.
- There are some useful online resources on certain calculators such as TI83:
http://www.tvmcalcs.com/calculators/ti83/ti83_page1

COURSE INFORMATION:

- **Course Description:**
This course contains an overview of basic financial concepts, tools and techniques used by financial managers of public corporations: financial instrument and project evaluation, sources of funding and strategic financial decisions.
- **Objectives and/or Goals for the Course:**
After completion of this course you should be able to understand:
 - The fundamental asset pricing structure and capital rationing decisions.
 - How to evaluate business economic activity through ratio analysis.
 - The cash flow analysis.
 - The importance of and underlying calculations for the time value of money.
 - The principles underlying stock and bond pricing.
 - The relation between risk and return as it relates to asset valuation.
 - The capital budgeting process in which you analyze not only business-specific cash flows but also economic externality of a specific project as long as they are relevant and incremental upon accepting the project.
- **Prerequisite:** ACC 2410 or ACC 2430 or ACC 2440; and **Prerequisite or co-requisite:** MTH 1150.
- **Method(s) of Instruction**
 - The course will focus on theoretical understanding and practical applications. The scope of the course is rather extensive, albeit fundamental; therefore, the student should expect to spend a considerable amount of time outside the class.
 - It is highly recommended that the student read the assigned chapters before attending the class. It is also important that you review end-of-chapter problems and complete the assigned preview/review problems.
 - Assigned homework problems must be solved on-line within the allotted time frame using *Connect*. Any attempts outside the allotted time frame are only recognized as reviews not a part of graded assignments.
 - Students must consult Blackboard on a daily basis for lecture notes and announcements.
 - The instructor reserves the right to amend the syllabus during the course of the semester.

MISSION STATEMENT OF THE MASSEY COLLEGE OF BUSINESS:

The mission of the College of Business Administration is to be an innovative, student-centered learning community that prepares entrepreneurial, ethical and socially responsible future business leaders for the dynamic global economy.

STUDENT LEARNING OUTCOMES OF THE MASSEY COLLEGE OF BUSINESS

Students will be able to:

1. Communicate effectively orally and in writing.
2. Demonstrate the ability to effectively collaborate in business contexts.
3. Utilize analytical, quantitative, and technical concepts and methods to identify and propose solutions to business problems.
4. Recognize ethical issues, argue the principles involved, and assess the potential consequences in the process of making socially responsible decisions.
5. Understand global business issues including the diverse legal, economic and cultural environments of business.
6. Recognize and assess the risk and potential benefits of new enterprise.
7. Demonstrate basic understanding of the disciplines included in the business core.

COURSE REQUIREMENTS:

- **Attendance:**

Institutional Statement on Class Attendance and Absences

Belmont University is committed to the idea that regular class attendance is essential to successful scholastic achievement. Absence is excused only in cases of illness or other legitimate cause. Attendance is checked from the first class meeting. Late registrants will have accrued some absences prior to formal registration in the course. In the case of excused absence from class, students have the right and responsibility to make up all class work missed.

- In cases of legitimate absence from the class, the student has the opportunity and responsibility to make up all class work missed. If a class absence is necessary because of an activity by another class or university organization, the sponsor of the activity will give the Provost a list of participants in advance, and the students involved will obtain from the Provost an excuse to present to the instructor. In case of absence for any other reason, the student will present his reason directly to the instructor, who will determine if the absence is excused. Only excused absences carry make-up privileges in the following examination whose coverage will be comprehensive.
- When the number of absences (other than those addressed in the Provost's Excuse) exceeds three times the number of regularly scheduled class meetings per week (20% of class meetings during regularly scheduled summer terms), the student may receive the grade of "FN" (failure for non-attendance). Appeal is to the Dean.

- **Participation:** Active participations and efforts will be positively reflected on the course grade.

- **Testing:**

Examination	Date	Chapters to study
Midterm 1	February 8 th (Wed)	4, 5, 6
Midterm 2	March 15 th (Wed)	4, 5, 6, 7, 2, 3
Final	May 1 st (Mon) at 2:00 p.m.	8, 9, 10, 11, 12

- **Online test (AOL) via Connect:** test window from **4/15 to 5/01** (follow the instructions at Connect)

- **Methods of Evaluation:**

- The course grade will be determined by three examinations (60%), ten best preview (Learn Smart) assignments (10%), ten best review (EOCP) assignments (25%) and one on-line test (5%)
 - ❖ Midterm 1 (10%), Midterm 2 (20%), Final (30%): 60%
 - ❖ Best ten preview assignments out of 12 assignments (by chapter, 1.0% each): 10%.
 - ❖ Best ten review assignments out of 11 assignments (by chapter, 2.5% each): 25%.
 - ❖ On-line test (comprehensive, 10 questions): 5%
- Since Midterm 2 is comprehensive, if Midterm 2 outperforms Midterm 1 on the 100% basis, the former will replace the latter by adding positive midterm adjustment; otherwise, both tests will be individually counted.
If MT1 = 90%, and MT2 = 80%, then the gradebook on Blackboard shows 9% = 90%*0.1 (MT1), 16% = 80%*0.2 (MT2), and 0% (ADJ); if MT1 = 80%, and MT2 = 90%, then it shows 8% = 80%*0.1 (MT1), 18% = 90%*0.2 (MT2), and 1% = (90% - 80%)*0.1 (ADJ). Thus, the total points will be 25% and 27%, respectively.
- **Extra credit:** 1.5% of the course grade will be given to marketing survey participation.

- For any excused absence of MT1 or MT2, the following (comprehensive) exam will account for the missing exam. For example, if one misses MT2, Final will account for 50%.
- The earned total % points (reported on Blackboard) will be based on 100% points at the end of the semester to get a letter grade. Disregard the maxim total % points on Blackboard, which is 111.5%: for example, if the earned total is 84%, the letter grade will be a B, not a C (as $84/111.5 = 75.3\%$).
- The instructor will have discretion for adjusting the course grade by one grade category (e.g., from A- to A or B+) for quality class participation, excessive absence and/or frequent tardiness, or disruptive behavior among others.

• **Grading Scale:**

100-93%	A	89-87%	B+	79-77%	C+	69-67%	D+
92-90%	A-	86-83%	B	76-73%	C	66-63%	D
		82-80%	B-	72-70%	C-	62-60%	D-
						< 60%	F

- **Preview homework assignments (Learn Smart)** by *Connect: Follow assignment policies specified in Connect.*

Chapter	Learn Smart	Available time window
1	Introduction to Financial Management	1/09 12:00 a.m. – 1/23 11:59 p.m.
4	Introduction to Valuation: The Time Value of Money	1/09 12:00 a.m. – 1/23 11:59 p.m.
5	Discounted Cash Flow Valuation	1/18 12:00 a.m. – 1/30 11:59 p.m.
6	Interest Rates and Bond Valuation	1/30 12:00 a.m. – 2/06 11:59 p.m.
7	Equity Markets and Stock Valuation	2/13 12:00 a.m. – 2/20 11:59 p.m.
2	Financial Statements, Taxes, and Cash Flow	2/20 12:00 a.m. – 2/27 11:59 p.m.
3	Working with Financial Statements	2/27 12:00 a.m. – 3/06 11:59 p.m.
8	Net Present Value and Other Investment Criteria	3/20 12:00 a.m. – 3/27 11:59 p.m.
9	Making Capital Investment Decisions	3/27 12:00 a.m. – 4/03 11:59 p.m.
10	Some Lessons from Capital Market History	4/03 12:00 a.m. – 4/10 11:59 p.m.
11	Risk and Return	4/10 12:00 a.m. – 4/17 11:59 p.m.
12	Cost of Capital	4/17 12:00 a.m. – 4/24 11:59 p.m.

- **Review homework assignments (EOC problems)** by *Connect: Follow assignment policies specified in Connect.*

Chapter	End-of-chapter problems	Available time window
4	7, 8, 10, 14, 15, 18, 20, 21, 25, 26	1/11 12:00 a.m. – 1/30 11:59 p.m.
5	3, 9, 11, 14, 15, 16, 18, 27, 29, 39, 40, 42, 48, 53	1/18 12:00 a.m. – 2/06 11:59 p.m.
6	11, 12, 15, 23, 28, 29, 30, 31, 32, 33, 34	1/30 12:00 a.m. – 2/13 11:59 p.m.
7	10, 11, 14, 16, 20, 26, 30	2/13 12:00 a.m. – 2/27 11:59 p.m.
2	6, 12, 15, 16, 22, 23	2/20 12:00 a.m. – 3/06 11:59 p.m.
3	13, 14, 15, 16, 17, 19, 20, 24, 26, 32, 33, 39	2/27 12:00 a.m. – 3/14 11:59 p.m.
8	1, 8, 9, 11, 13, 16, 17, 21, 24	3/20 12:00 a.m. – 4/03 11:59 p.m.
9	5, 7, 15, 20, 24	3/27 12:00 a.m. – 4/10 11:59 p.m.
10	8, 16, 17, 21, 22, 23	4/03 12:00 a.m. – 4/17 11:59 p.m.
11	4, 6, 8, 10, 23, 24, 28	4/10 12:00 a.m. – 4/24 11:59 p.m.
12	3, 10, 11, 14, 16, 19, 20, 23	4/17 12:00 a.m. – 5/01 11:59 p.m.

UNIVERSITY POLICIES:

- **Honor Code:** The Belmont community values personal integrity and academic honesty as the foundation of university life and the cornerstone of a premiere educational experience. Our community believes trust among its members is essential for both scholarship and effective interactions and operations of the University. As members of the Belmont community, students, faculty, staff, and administrators are all responsible for ensuring that their experiences will be free of behaviors, which compromise this value. In order to uphold academic integrity, the University has adopted an Honor System. Students and faculty will work together to establish the optimal conditions for honorable academic work. Following is the Student Honor Pledge that guides academic behavior:

“I pledge that I will not give or receive aid during examinations; I will not give or receive false or impermissible aid in course work, in the preparation of reports, or in any other type of work that is to be used toward my grade; I will not engage in any form of academic fraud in the fulfillment of requirements for graduation whether

curricular or co-curricular. Furthermore, I will uphold my responsibility to see to it that others abide by the spirit and letter of this Honor Pledge.”

- **Accommodation of Disabilities:** In compliance with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act, Belmont University will provide reasonable accommodation of all medically documented disabilities. If you have a disability and would like the university to provide reasonable accommodations of the disability during this course, please notify the Office of the Dean of Students located in the Beaman Student Life Center (615-460-6407) as soon as possible.
- **Course Evaluations:** Belmont University provides all students with the opportunity to evaluate their courses. Toward the end of each semester, students will be made aware that the online course evaluations are open. Students are expected to participate in course evaluations when they are made available.

CHAPTERS TO COVER AND RELEVANT END-OF-CHAPTER PROBLEMS FOR IN-CLASS PRACTICE

Chapter	Subject	End-of-Chapter problems
1	Introduction to Financial Management	
4	Introduction to Valuation: The Time Value of Money	1,2,3,4,5,6,9,11,12,13,17,19,22,23,24
5	Discounted Cash Flow Valuation	1,2,4,5,6,7,8,10,12,13,19,20,21,24,26,30,36,41,44,45
6	Interest Rates and Bond Valuation	3,4,5,6,7,8,9,10,13,14, 21, 22
7	Equity Markets and Stock Valuation	1,2,4,5,6,7,8,9,12,13,15,17,18
2	Financial Statements, Taxes, and Cash Flow	1,2,7,8,9,10,11,13,14,21
3	Working with Financial Statements	35,36,37,38, 42,43
8	Net Present Value and Other Investment Criteria	3,4,5,6,7,10,14,15,18
9	Making Capital Investment Decisions	1,2,3,4,6,8,9,10,11,13,14
10	Some Lessons from Capital Market History	1,2,3,4,7,9,10,11,13,14,15,19,20
11	Risk and Return	1,2,3,7,9,11,12,13,14,15,16,17,19,20,22
12	Cost of Capital	1,2,5,6,7,8,12,13,15,18

CLASS SCHEDULE (TENTATIVE):

Note the class schedule and homework assignments are subject to change during the course of the session.

Any change will be announced in advance.

Session	Chapter	Session	Chapter
1 1/09 (M)	Introduction/Ch1/TVM	16 3/13 (M)	Review
2 1/11 (W)	Ch4	17 3/15 (W)	MT2: 4, 5, 6, 7, 2, 3
3 1/18 (W)	Ch4/Ch5	18 3/20 (M)	Ch8
4 1/23 (M)	Ch5	19 3/22 (W)	Ch8
5 1/25 (W)	Ch5	20 3/27 (M)	Ch9
6 1/30 (M)	Ch6	21 3/39 (W)	Ch9
7 2/01 (W)	Ch6	22 4/03 (M)	Ch10
8 2/06 (M)	Review	23 4/05 (W)	Ch10
9 2/08 (W)	MT1: 4, 5, 6	24 4/10 (M)	Ch11
10 2/13 (M)	Ch7	25 4/12 (W)	Ch11
11 2/15 (W)	Ch7	26 4/17 (M)	Ch12
12 2/20 (M)	Ch2	27 4/19 (W)	Ch12
13 2/22 (W)	Ch2	28 4/24 (M)	Review
14 2/27 (M)	Ch3		
15 3/01 (W)	Ch3	5/01 (M)	Final at 2 p.m.: 8, 9, 10, 11, 12

1/16 (M): MLK Jr. Day; 3/06 (M) ~ 3/10 (F): Fall Break; 4/13 (R) ~ 4/14 (F): Easter Break

4/26 (W): Academic Preparation Day

2/08: Midterm 1 ~ Chapters 4, 5, 6

3/15: Midterm 2 ~ Chapters 4, 5, 6, 7, 2, 3

5/01: Final ~ Chapters 8, 9, 10, 11, 12