Business Finance

FINC 303-02 CRN 21606

MWF 9:00 – 9:50 TCFE 315

SPRING 2017

Marcia S. Snyder
College of Charleston
School of Business
5 Liberty Street, Tate Center
Room 313

Phone: 843-953-4818
Email: snyderrm@cofc.edu

Office Hours:
MWF 10:00 – noon
And
By Appointment

"It is better to look ahead and prepare than to look back and regret."

Jackie Joyner-Kersee, Olympic gold medalist

About This Course

Pre-requisite:
ACCT 203 – Financial Accounting
ACCT 204 – Managerial Accounting
ECON 200 – Principles of Microeconomics
ECON 201 – Principles of Macroeconomics
Math 104 or 250 – Statistics
DSCI 232 – Business Statistics
Statistics is suggested

FINC 303 is a prerequisite for most upper level finance courses and School of Business capstone courses.

Course Objective:
Develop a framework for financial analysis that will enable you to make sound career and personal financial decisions, and prepare you for future studies in business.

Theoretical/Analytical Knowledge will be developed in the areas of:
- Working capital management
- Value of the firm’s assets
- Financial leverage and the cost of capital
- Capital budgeting
- Dividend policy

Practical Competencies will be developed in:
- Financial statement analysis techniques
- Time value of money calculations

I will share with you my knowledge and love of economics and finance, my passion for learning, along with guidance for your success.

You will share with me your active participation in class, your personal preparation of all assignments, and an indication of your knowledge gained through your efforts when asked.

Course Description:
This course presents the fundamental concepts of corporate finance. Special attention will be given to the financial administrator’s role in the area of working capital, capital budgeting, and financial decisions, including international investment and financial considerations.

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"Education is not the learning of facts, but the training of the mind to think."

Albert Einstein

"Quantitative Fluency: This course requires extensive application of mathematical theory and practice. Students will be required to use standard algebraic calculations to solve realistic financial questions. Students will recognize that a level of quantitative proficiency is necessary to successfully run the financial operations of a firm.

- Synthesis:
This course requires knowledge from the associated disciplines of accounting, economics, and statistics. As such, students are expected to apply a level of proficiency in those subject areas in their understanding of financial principles and applications.
Required Course Materials- Text/homework


CoC Bookstore: Connect Plus eBook access, no print product: ISBN 9781259351013
Ross et al, **CONNECT PLUS FINANCE W/LEARNSMART** is ACCESS CARD FOR Essentials of Corporate Finance 9th 2016.

The least expensive option can be purchased directly from McGraw-Hill website is: [http://www.mheducation.com/highered/search.html?searchQuery=fundamentals%20of%20corporate%20finance%20ross](http://www.mheducation.com/highered/search.html?searchQuery=fundamentals%20of%20corporate%20finance%20ross)

Options include Loose-leaf hardback and e-text.

Also required is a financial calculator – **Texas Instruments BAII PLUS** is recommended.

Please bring your calculator to class **EVERY DAY**.

*You may also use a statistical or scientific graphing calculator, however, you will need to read the manual to adapt the calculator for financial calculations on your own.

Required Course Materials – **i-clicker**

I will be using the **i-clicker** response system in class this term. **I-clicker** helps me understand what you know and gives everyone a chance to participate. I will also use this and sign-in sheets to log attendance. The attendance policy is on the next page. Participation with **i-clicker** accounts for 15% of your final grade. You must bring your **i-clicker** to class every day. If you forget your **i-clicker** you will miss the points for that day.

**i-clickers** are available in the bookstore. You may use the original **i-clicker**, **i-clicker +**, or **i-clicker 2**.

Do not register your **i-clicker** online. I will do this in class.

We will begin using **i-clicker** polling on Friday, January 20th. This application will be used every day in class.

I consider bringing a fellow student’s **i-clicker** to class to be cheating and a violation of the College’s Honor Code. If you are caught with a remote other than your own or you have votes in class that you did not attend, you will forfeit all participation points and may face additional disciplinary action.

**ADDITIONAL COURSE MATERIALS**

PowerPoint lecture slides, and additional articles, videos, and podcasts are located on OAKS.

"Our progress as a nation can be no swifter than our progress in education. The human mind is our fundamental resource."

John F. Kennedy, special message to Congress on Education, 20 February 1961
Academic Integrity

Students at the College of Charleston are expected to adhere to the Honor System as outlined in the Student Handbook.


In the business school you learn about the legal environment of business and about ethical situations that are found in the workplace.

You should consider the Honor Code not only as mandates for academic honesty, but as a first lesson in appropriate conduct in the workplace.

Specifically, "The Honor System of the College of Charleston" is intended to promote and protect an atmosphere of trust and fairness in the classroom and in the conduct of daily life.

Any violation of the Codes will result in severe consequences.

Please read carefully and follow the "Classroom Code of Conduct," in the College of Charleston Student Handbook.

Attendance is required and will be assessed through sign-in on an attendance sheet each class period.

Class participation is required and will be assessed through the iclicker in-class exercises.

I consider bringing a fellow student’s iclicker2 to class or signing a fellow student’s name to the attendance sheet to be cheating and a violation of the College of Charleston Honor Code.

If you are caught with a remote other than your own or have votes in a class that you did not attend, or signed in for a class you did not attend you will forfeit all points and may face additional disciplinary action.

"The supreme quality for leadership is unquestionably integrity. Without it, no real success is possible."

Dwight D. Eisenhower, 34th President of the United States, 1890-1969

Grading Scale and Procedures

The following point scale will be used for the course:

Percent of total points

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>93-100</td>
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<tr>
<td>A-</td>
<td>90-92</td>
</tr>
<tr>
<td>B+</td>
<td>87-89</td>
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<td>B</td>
<td>83-86</td>
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</tr>
<tr>
<td>D-</td>
<td>60-62</td>
</tr>
<tr>
<td>F</td>
<td>&lt; 60</td>
</tr>
</tbody>
</table>

Absences in excess of 6 classes will result in a grade of WA – withdrawal for excessive absences which correlates to a grade of “F” in GPA calculations. Official College of Charleston sanctioned activities receive my full support and will be addressed on a case by case basis with regards to this policy. I will report your number of absences to you after each term test. It is your responsibility to keep up with the number of absences you have.

You are responsible for the material whether you are in class or not. Much of the material presented in class will not be in your book. Attendance will be taken using the iclicker polling in class exercises and sign-in sheets. If you miss a class it is your responsibility to get notes from a classmate.

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iclicker exercises will be used every day in class, and you are responsible for bringing your iclicker to class. If you are absent or forget your iclicker you lose the points for that questions/day.

Homework assignments should be completed before the lecture covering that assignment.

LearnSmart assignments for the chapters covered on each exam are due by 11:59 pm the night before the associated lecture. These are all open and available to complete any time and will help you with the weekly Connect assignments.

The weekly Connect homework assignments are open from the start of the semester.

The due date will be each Sunday at 11:59 pm.

Please make sure to designate enough time to complete the assignment before the deadline to avoid being locked out of the system.

TEST FORMAT: All term exams and the final will be comprised of some multiple choice questions and essay/short answer calculations. You must show all of your work on all calculations to receive credit on the test.

Students are expected to arrive on time for exams.

NO cell phones, MP3’s, I-Pods, etc. are allowed during testing.

The Honor Code is in effect at all times.

"There are no secrets to success. It is the result of preparation, hard work and learning from failure."

Colin Powell

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<table>
<thead>
<tr>
<th>DATE</th>
<th>CHAPTER (S)</th>
<th>TOPICS COVERED</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAN 11</td>
<td>Introduction</td>
<td>Syllabus Review and Connect Introduction</td>
</tr>
<tr>
<td>13</td>
<td>CH 1</td>
<td>Introduction to Financial Management</td>
</tr>
<tr>
<td><strong>16</strong></td>
<td><strong>Martin Luther King Holiday</strong></td>
<td><strong>No class</strong></td>
</tr>
<tr>
<td>18</td>
<td>CH 1-2</td>
<td>Financial Statements, Taxes, and Cash Flow</td>
</tr>
<tr>
<td>20</td>
<td>CH 2</td>
<td>Financial Statements, Taxes, and Cash Flow</td>
</tr>
<tr>
<td>23</td>
<td>CH 3</td>
<td>Financial Statements, Taxes, and Cash Flow</td>
</tr>
<tr>
<td>25</td>
<td>CH 3</td>
<td>Working With Financial Statements</td>
</tr>
<tr>
<td>27</td>
<td>CH 3</td>
<td>Working with Financial Statements</td>
</tr>
<tr>
<td>30</td>
<td>CH 4</td>
<td>Working with Financial Statements</td>
</tr>
<tr>
<td><strong>FEB 1</strong></td>
<td>CH 4</td>
<td>Introduction to Valuation: The Time Value of Money</td>
</tr>
<tr>
<td>3</td>
<td>CH 4</td>
<td>Introduction to Valuation: The Time Value of Money</td>
</tr>
<tr>
<td>6</td>
<td>CH 4, 5</td>
<td>Introduction to Valuation: The Time Value of Money</td>
</tr>
<tr>
<td>8</td>
<td>CH 5</td>
<td>Time Value of Money and Discounted Cash Flow Valuation</td>
</tr>
<tr>
<td>10</td>
<td>CH 5</td>
<td>Discounted Cash Flow Valuation</td>
</tr>
<tr>
<td>13</td>
<td>CH 5</td>
<td>Discounted Cash Flow Valuation</td>
</tr>
<tr>
<td><strong>15</strong></td>
<td><strong>TEST 1</strong></td>
<td><strong>CH 1, 2, 3, 4</strong></td>
</tr>
<tr>
<td>17</td>
<td>Review Test 1, CH 5</td>
<td>Discounted Cash Flow Valuation</td>
</tr>
<tr>
<td>20</td>
<td>CH 6</td>
<td>Interest Rates and Bond Valuation</td>
</tr>
<tr>
<td>22</td>
<td>CH 6</td>
<td>Interest Rates and Bond Valuation</td>
</tr>
<tr>
<td>24</td>
<td>CH 6</td>
<td>Interest Rates and Bond Valuation</td>
</tr>
<tr>
<td>27</td>
<td>CH 7</td>
<td>Equity Markets and Stock Valuation</td>
</tr>
<tr>
<td><strong>MAR 1</strong></td>
<td>CH 7</td>
<td>Equity Markets and Stock Valuation</td>
</tr>
<tr>
<td>3</td>
<td>CH 7</td>
<td>Equity Markets and Stock Valuation</td>
</tr>
<tr>
<td><strong>5-11</strong></td>
<td><strong>SPRING BREAK</strong></td>
<td><strong>No Class</strong></td>
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<tr>
<td>13</td>
<td>CH 8</td>
<td>Net Present Value and Other Investment Criteria</td>
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<tr>
<td>15</td>
<td>CH 8</td>
<td>Net Present Value and Other Investment Criteria</td>
</tr>
<tr>
<td>17</td>
<td>CH 8</td>
<td>Net Present Value and Other Investment Criteria</td>
</tr>
<tr>
<td>20</td>
<td>CH 9</td>
<td>Making Capital Investment Decisions</td>
</tr>
<tr>
<td>22</td>
<td>CH 9</td>
<td>Making Capital Investment Decisions</td>
</tr>
<tr>
<td><strong>23</strong></td>
<td><strong>LAST DAY TO WITHDRAW</strong></td>
<td><strong>Making Capital Investment Decisions</strong></td>
</tr>
<tr>
<td>24</td>
<td>CH 9</td>
<td>Making Capital Investment Decisions</td>
</tr>
<tr>
<td><strong>27</strong></td>
<td><strong>Test #2</strong></td>
<td><em><em>CH 5, 6, 7, 8</em> the test will be either March 27th or 29th</em>*</td>
</tr>
<tr>
<td>29</td>
<td>Review Test #2, CH 9</td>
<td>Making Capital Investment Decisions</td>
</tr>
<tr>
<td>31</td>
<td>CH 9</td>
<td>Making Capital Investment Decisions</td>
</tr>
<tr>
<td><strong>APR 3</strong></td>
<td>CH 10</td>
<td>Some Lessons From Capital Market History</td>
</tr>
<tr>
<td>5</td>
<td>CH 10</td>
<td>Some Lessons From Capital Market History</td>
</tr>
<tr>
<td>7</td>
<td>CH 11</td>
<td>Risk and Return</td>
</tr>
<tr>
<td>10</td>
<td>CH 11</td>
<td>Risk and Return</td>
</tr>
<tr>
<td>12</td>
<td>CH 11</td>
<td>Risk and Return</td>
</tr>
<tr>
<td>14</td>
<td>CH 11, 12</td>
<td>Risk and Return, The Cost of Capital</td>
</tr>
<tr>
<td>17</td>
<td>CH 12</td>
<td>The Cost of Capital</td>
</tr>
<tr>
<td>19</td>
<td>CH 12</td>
<td>The Cost of Capital</td>
</tr>
<tr>
<td>21</td>
<td>CH 13</td>
<td>Leverage and Capital Structure</td>
</tr>
<tr>
<td>21</td>
<td>CH 13</td>
<td>Leverage and Capital Structure</td>
</tr>
<tr>
<td><strong>24</strong></td>
<td><strong>Test #3</strong></td>
<td><strong>CH 9, 10, 11, 12</strong></td>
</tr>
<tr>
<td>26</td>
<td>Review Test #3 and Final</td>
<td>Comprehensive final</td>
</tr>
</tbody>
</table>

Friday, April 28th  Comprehensive final  CH 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12

*DISCLAIMER: Although the Professor intends to follow this syllabus as closely as possible, there may be times when deviations from the material presented herein are necessary. Such examples might include (but are not limited to) natural disasters or major changes in the foundations of financial theory (or the Professor’s whims).
Accessibility and Disability Statement

Students in the class, who have a documented disability and have been approved to receive accommodations through the Center for Disability Services / SNAP, please come and discuss this with me during my office hours.

You may make arrangements to take the test with me or at the SNAP testing center. I must have all relevant paperwork for testing at the SNAP test center at least 1 week in advance of the test.

Sometimes life events intrude on our day to day lives. Your success is important to me. My door is always open and I am a good listener. When life events intrude, keeping you from meeting course requirements please come see me to discuss a solution.

**EMAIL Policy:** I always answer emails. If you do not receive an answer within 24 hours during weekdays I did not receive your email. I rarely check email after 8 pm during the week and only check email sporadically during weekends. Please plan accordingly.

Center for Student Learning

I encourage you to utilize the Center for Student Learning’s (CSL) academic support services for assistance in study strategies and course content. Drop by the front desk at the CSL (first floor Addlestone Library), call 843.953.5635, or use the Request a Tutor link from the website http://csl.cofc.edu. For more information regarding these services please visit the CSL website at http://csl.cofc.edu.

If you are having particular difficulty with any of the material in this course:

-DO come and see me immediately, either during office hours or by making an appointment. Please read the appropriate sections of the textbook and review your notes BEFORE the appointment.

-The material is cumulative and you will likely find yourself falling further behind.

Late Assignments and Make-up Exams

Deadlines are a fact of life in the business world as well as in academia. Late homework assignments will not be accepted.

This syllabus indicates the tentative dates for exams and exams will be announced in class. You may make arrangements to take an exam early if you give sufficient notice.

The only exception is for College of Charleston sanctioned activities, and the student must bring me a request from the appropriate College official.

Please see me if you have any questions regarding this policy.
Student Engagement - Extra Credit Policy

Students who are actively engaged in their educational experiences, in both academic and professional settings, are better prepared for their professional, societal and personal lives after graduation. In an effort to encourage you to attend speaker events on campus and in the School of Business, you may earn up to five (10) extra credit points to be added to your lowest term test points by attending the event and submitting an email to me using the following guidelines:

Each extra credit opportunity is worth 1 point.

To receive credit, please send a business memo via email to snyderm@cofc.edu with extra credit: speaker’s name or lecture topic in the subject line.

In the body of the email (NO ATTACHMENTS) write one to two paragraphs answering each of the following questions:
1) What did you learn? (If you think you did not learn anything – explain why.)
2) Was this a good use of your time? Explain.

Paragraphs should be grammatically correct with no spelling errors. Please make sure you have the speaker’s name and if pertinent, biographic information correct. Details of the speaker’s topic which are relevant to what you learned should be included in the paragraph.

Business memos should be to the point. Please avoid long, rambling and run on sentences. As your audience, I should be able to understand the message you learned from the presentation as well as if I attended the event.

Emails should be sent within one week of attending the event but will be accepted until the last day of regular class. I will always send a confirmation that I received your email. If you do not receive a confirmation – I did not receive your email. Please check the email address and resend.

If you enjoyed the speaker, please let him/her know. This can be accomplished by introducing yourself after the event or by sending a thank you note (I will find addresses if needed). These events are opportunities to network and build a foundation of contacts that may be able to help you in a job search or future career opportunity.

Enjoy!

Connect Event & Dean’s Student Forum

You may find events on the School of Business Student Calendar – CONNECT EVENT located on the School’s website at

http://sb.cofc.edu/studentservices/specialty-student-services/connect-event.php

Check out the Dean’s Student Forum

http://sb.cofc.edu/studentservices/club-roster/dsf/index.php

or

The Dean’s Student Forum Facebook Page for the latest SB Updates!

“Education is the most powerful weapon which you can use to change the world”

Nelson Mandela, 1918-2013
ADDITIONAL IMPORTANT INFORMATION ABOUT THIS COURSE

Additional Calculator Instructions
You are required to use a financial calculator in this course. I will use and teach you how to use the BAII Plus Calculator. I highly recommend the BAII Plus but you may use any you own.

If you are using a BAII Plus, turn on your calculator and do the following:
A. Set the display to show 4 places to the right of the decimal point
   1) Hit the gray key; hit the “decimal point” key (it says “format” above the key)
   2) Hit the number “4” and push the key
B. Now set the machine to follow standard “Algebraic Operating System” rules so that it does multiplication and division before it does addition and subtraction.
   3) after completion of step 2, hit the down arrow key (it says INS above this key) until the display shows “Chn” or “AOS”.
   4) If it says “Chn”, then hit the gray key and push the key. The display now should show “AOS”.
   5) If it says “AOS”, then hit the gray key; hit the key right above it called CPT (it says “QUIT” above the key)

The above settings remain even if you turn off the calculator. If your battery dies or is replaced, however, you’ll need to re-do the steps. There are online tutorials for using the calculator at http://www.atomiclearning.com/ti_ba2.

OAKS

I have downloaded all of the PowerPoint slides onto OAKS. I also have downloaded learning videos from Investopedia.com which will help with your understanding of the material.

CONNECT and LEARN SMART HOMEWORK

Learn Smart Exercises are due the evening before the scheduled lecture. The exercise must be completed by the due date and time to receive credit. You may continue to use the Learn Smart exercises for each chapter to prepare for the test. The exercises adapt as you use them and provide stronger reviews on material you may be struggling with.

Connect homework is due every Sunday evening by 11:59 pm. You have unlimited attempts and on each new attempt you can revise your previous attempt.
- There is a 3% deduction from new attempt scores. (Except for Chapter 1 assignment which is a 5% deduction.)
- On each new attempt, students revise their previous attempt. (Except for Chapter 1 students start over.)
- There are 2 “check my work” attempts allowed per question with no score deduction. (Except for Chapter 1 there is only 1 “check my work” attempt allowed.)
- Study attempts are available immediately after the due date and time. You should make use of these to study for the tests.
- You will have access to hints when possible and e-book resources
Please sign and date the following agreement. If I do not receive this signed form by Friday, January 20th, you will be dropped from the class.

I have read, understand, and agree to the terms outlined in the syllabus for FINC 303-02 CRN 21606 (SPRING 2017). I accept all terms as written and understand that e-mail communication will be conducted via the College of Charleston accounts. I have also read and agree to abide by the College of Charleston Classroom Code of Conduct and College of Charleston Honor Code and understand there will be severe consequences for any violation of the Honor Code.

Name (please print) __________________________________________

Preferred_________________________

Signature __________________________________________

Date________________________________________

Contact Phone number:______________________________

Circle one: Junior  Senior

Major______________________  Minor______________________

Where are you from?________________________________________

Do you work?______________

If so, approximately how many hours per week?____________________

What are your career aspirations?

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________