Business Finance

FINC 303-04 CRN 30106

MWF 8:00 - 10:00 BCTR 218

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

Albert Einstein

Marcia S. Snyder
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School of Business
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Tate Center
Room 313

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

Junior standing
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 is suggested

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

Course Objectives

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
- Capital budgeting analysis techniques
- Financial planning and forecasting techniques
- Stock and bond valuation techniques
- Cost of capital calculations

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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School of Business Learning Objectives:
Demonstration of these competencies will be made through completion of homework and term exams.

- 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.

Please Note: In the event of unexpected College of Charleston closings during the semester, please check OAKs for assignments and video lectures.
Required Course Materials- Text/homework


**Web address for Connect:**
https://connect.mheducation.com/class/m-snyder-summer-ii-2018

CoFC 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:
Options include Loose-leaf hardback and e-text.
https://www.mheducation.com/highered/product/M1259277216.html

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 graphing calculator for financial calculations on your own.

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Required Course Materials- iClicker Reef Polling

I will be using the **i-Clicker Reef polling system** in class this term. This system helps me understand what you know and gives everyone a chance to participate. This will also give you feedback on how well you are comprehending course concepts and allow you to review material after class. Participation with **i-Clicker Reef** is ten percent of your final grade.

You are required to bring a smartphone, laptop, or tablet to participate in the iClicker sessions during class. It is your responsibility to properly register your iClicker Reef device by **Friday, July 6th**.

Students must create an iClicker Reef account through https://app.reef-education.com/#/login or by downloading the Reef app from the android or apple stores. You will have a two-week free-trial period. After that, you will need to **purchase** a Reef subscription by signing into your iClicker Reef account or purchasing an access code from Macmillan Learning online student store https://store.macmillanlearning.com/us/product/iClicker-REEF-Polling-(Six-Months-Online)/p/1319140211?searchText=iClicker or the CoFC Bookstore. The subscription is $14.99 for six months with additional options available.

Students who fail to sign up for the subscription will miss out on iClicker Reef points. **It is your responsibility to make sure your account is in working order prior to the beginning of each class period.**

This course is: **Business Finance FINC 303-04 Summer II 2018**

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**ADDITIONAL COURSE MATERIALS**

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

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"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.

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 GPS sign-in through iClicker Reef and the iClicker Reef exercises.

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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<tbody>
<tr>
<td>A</td>
<td>93-100</td>
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<tr>
<td>A-</td>
<td>90-92</td>
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<tr>
<td>B+</td>
<td>87-89</td>
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<td>B</td>
<td>83-86</td>
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<td>B-</td>
<td>80-82</td>
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<tr>
<td>C+</td>
<td>77-79</td>
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<tr>
<td>C</td>
<td>73-76</td>
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<tr>
<td>C-</td>
<td>70-72</td>
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<tr>
<td>D+</td>
<td>67-69</td>
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<tr>
<td>D</td>
<td>63-66</td>
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<tr>
<td>D-</td>
<td>60-62</td>
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<tr>
<td>F</td>
<td>&lt; 60</td>
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**Class Participation**

- **iClicker polling:** 10%
- **LearnSmart Homework:** 15%
- **Connect Homework:** 10%
- **Term Tests**: 45%
- **Final:** 20%

**Absences (excused or unexcused)**: In excess of two class periods will result in a five point deduction from your final grade for each absence in excess of two class periods.

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. Your absences are tracked through the iClicker Reef system and 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 Reef polling in class exercises and iClicker Reef sign in. If you miss a class it is your responsibility to get notes from a classmate.

**iClicker Scoring:** One point is awarded for attempting the question, two points are awarded for answering the question correctly and a five point bonus for the session is awarded if all of the questions for the day have been attempted.

**HOMEWORK ASSIGNMENTS:** Expect to devote a minimum of 2-3 hours per chapter on assignments outside of class. Reading and Learn Smart 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 as outlined in the syllabus.** These are all open and available to complete any time and will help you with the weekly Connect assignments.

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

**Assessment of iClicker Reef participation:** 10%

**Scoring:**

- One point awarded if all questions are answered
- Two points awarded for a correct answer
- Five point bonus awarded for attempting all questions

**Homework assignments** are open from the start of the semester. The due date will be the day of completion of each chapter 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 assignment.

You may use your notes and books and work together on the homework.

**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.

“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
<table>
<thead>
<tr>
<th>DATE</th>
<th>CHAPTER (S)</th>
<th>TOPICS COVERED</th>
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<tbody>
<tr>
<td>JUL 5</td>
<td>Introduction, CH 1, 2</td>
<td>Syllabus Review and Connect, Introduction to Financial Management, Financial Statements, Taxes, and Cash Flow</td>
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<tr>
<td>6</td>
<td>CH 3</td>
<td>Working With Financial Statements</td>
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<td>9</td>
<td>CH 4</td>
<td>Introduction to Valuation: The Time Value of Money</td>
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<tr>
<td>10</td>
<td>CH 4</td>
<td>Introduction to Valuation: The Time Value of Money</td>
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<tr>
<td>11</td>
<td>CH 5</td>
<td>Discounted Cash Flow Valuation</td>
</tr>
<tr>
<td>12</td>
<td>CH 5</td>
<td>Discounted Cash Flow Valuation</td>
</tr>
<tr>
<td>13</td>
<td>TEST 1</td>
<td>CH 1, 2, 3, 4</td>
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<tr>
<td>16</td>
<td>CH 6</td>
<td>Interest Rates and Bond Valuation</td>
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<tr>
<td>17</td>
<td>CH 7</td>
<td>Equity Markets and Stock Valuation</td>
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<tr>
<td>18</td>
<td>CH 8</td>
<td>Net Present Value and Other Investment Criteria</td>
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<td>19</td>
<td>CH 9</td>
<td>Making Capital Investment Decisions</td>
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<tr>
<td>20</td>
<td>TEST 2</td>
<td>CH 5, 6, 7, 8</td>
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<tr>
<td>23</td>
<td>CH 10</td>
<td>Some Lessons From Capital Market History</td>
</tr>
<tr>
<td>24</td>
<td>CH 11</td>
<td>Risk and Return</td>
</tr>
<tr>
<td>25</td>
<td>CH 12</td>
<td>The Cost of Capital</td>
</tr>
<tr>
<td>26</td>
<td>CH 13</td>
<td>Leverage and Capital Structure</td>
</tr>
<tr>
<td>27</td>
<td>TEST 3</td>
<td>CH 9, 10, 11, 12</td>
</tr>
<tr>
<td>30</td>
<td>Review</td>
<td></td>
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<tr>
<td><strong>Tuesday, July 31st</strong></td>
<td><strong>Comprehensive final</strong></td>
<td><strong>CH 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12</strong></td>
</tr>
</tbody>
</table>

**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 4 days prior to 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.

-Please DO NOT let it build up. 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.

Please Note: In the event of unexpected College of Charleston closings during the semester, please check OAKs for assignments and video lectures.
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 Texas Instruments 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 9 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 “9” 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 by 11:59 pm. You have unlimited attempts and on each new attempt you can revise your previous attempt.

- There is a 1% deduction from new attempt scores. (Except for Chapter 1 assignment which is a 3% 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

Practice Test problems will be available on Connect before the test. These are not graded but will allow you to practice new versions of the problems.