FINC 303 Section 04
Business Finance
Summer II 2023, Asynchronous Online

Professor: Yuka Nishikawa, PhD
Office: Online
Office hours: Mondays 1-2pm via Zoom or By Appointment
Phone: 843-953-7658
Email: nishikaway@cofc.edu

Textbook:  *Fundamentals of Financial Management, Concise 11th Ed. by Brigham and Houston* with MindTap™ Access

You may purchase your textbook and MindTap access from the [bookstore](#) or from [Cengage Unlimited](#) (make sure you select Cengage Unlimited eTextbooks + Online Learning Platforms, not Cengage Unlimited eTextbooks). Both digital and hard copies of the book are acceptable, but **it is mandatory to have MindTap access.**

**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 financing decisions, including international investment and financial considerations.

**LEARNING OUTCOMES**

Upon completing this course, students are expected to be able to:

- Explain the concept of shareholder wealth maximization and how it relates to other possible objectives of the firm's management as well as the nature of the agency relationship inherent in the corporate structure.
- Describe how interest rates are determined and the role played by financial markets and institutions in the global financial system.
- Identify key information that each financial statement provides, discuss effects of free cash flow on firm value, and explain what ratio analysis is, the meaning of each ratio, and how ratios can be used.
- Apply the concepts of compounding and discounting and utilize these tools to calculate the future value and present value of lump sums, annuities, and uneven cash flow streams and in addition calculate the value of other variables such as the interest rate, time period, and periodic payment.
- Calculate the expected rate of return and risk of an individual investment as well as a portfolio of assets, including concepts and measurements such as standard deviation, correlation, diversification, and the CAPM (Capital Asset Pricing Model).
- Explain the determinants of intrinsic value and utilize these concepts to determine the value and yields of bonds and preferred and common stocks.
- Analyze the concept of the cost of capital and how it is affected by the firm’s capital structure and apply these concepts to capital budgeting decision making and dividend policy.
- Calculate various measures of project profitability using traditional capital budgeting techniques including Net Present Value (NPV), Internal Rate of Return (IRR), Payback Period (PB), and Discounted Payback Period (DPB).
- Distinguish between business and financial risk and discuss the analytical framework used to determine the optimal capital structure.
SCHOOL OF BUSINESS OBJECTIVES

Consistent with the goals of the School of Business, this course includes instruction in:

- **Quantitative Fluency:** The course requires extensive aptitude in comprehending and implementing strategies to solve practical quantitative problems. This aptitude is necessary to successfully run the financial operations of a firm.
- **Global and Civic Responsibility:** The course covers topics that require understanding of the appropriate response to legal and ethical problems and an understanding of the legal and social ramifications of financial decision making. The course requires an understanding of international implications of managerial finance.
- **Communication Skills:** The course instructs on the ability to communicate relatively complex quantitative data and results to both financially educated and uneducated individuals.
- **Synthesis:** Concepts from accounting, economics, and statistics will be applied throughout the course to solve financial problems. The ability to synthesize information from these disciplines and others is essential.

PREREQUISITES

Junior standing: ACCT 203, ACCT 204, ECON 200, ECON 201, and MATH 104 or MATH 250. DSCI 232 is recommended.

EXCEL AND FINANCIAL CALCULATOR

Excel is required for this course. Students are expected to learn several basic Excel functions.

A financial calculator is not required but highly recommended for this course. I will occasionally cover how to use the Texas Instruments BAII Plus Calculator in class. I highly recommend the BAII Plus but you may use any calculator you own. There are online tutorials for using the calculator at: [http://www.tvmcals.com/calculators/baiiplus/baiiplus_page1](http://www.tvmcals.com/calculators/baiiplus/baiiplus_page1). For other calculators, see the online tutorials at: [http://www.tvmcals.com/](http://www.tvmcals.com/).

HOMEWORK ASSIGNMENTS

Homework assignments will be given to make sure students are being diligent with their homework efforts and are paying attention to the study material covered in each chapter. For each chapter, there will be various graded assignments, which you will need to complete in Mindtap. Students are also expected to solve (on their own) additional exercises in Mindtap to enhance their problem-solving skills.

There are 2 types of graded assignments (Chapter Assignments and Excel Online Activities) that you will complete in MindTap. You will have a limited number (3) of attempts. Before taking a graded assessment, it is recommended that you read the chapter, watch the relevant lecture video, ask questions, and use additional resources (see below) to prepare.

**Chapter Assignments**

Each chapter that we cover will have an assignment which will include both quantitative and qualitative (conceptual) items. You will be given three attempts for each assignment, and the highest grade will be recorded for grading purposes. Your highest 10 Assignment scores will be used to determine your grade. Deadlines are indicated in the Course Schedule below and are firm.

**Excel Online Activities**

You will be given three attempts for each Excel online activity, and the highest grade will be recorded for grading purposes. Your highest 5 Excel online activity scores will be used to determine your grade. Deadlines are indicated in the Course Schedule below and are firm.
MindTap
MindTap is a fully online, highly personalized learning experience, combining readings, multimedia, activities, and assessments into a singular Learning Path. The MindTap course is enriched through a library of learning apps called MindApps accessible via the MindApp bar. Examples of apps include homework solutions, text-to-speech, dictionary, web video, social media integration. MindTap provides practice opportunities complete with immediate, written feedback, before finally asking students to move on to complete their graded homework assignments.

I suggest you explore the resources available in MindTap, such as:

- Preparing for Finance - Calculator Tutorials (HP-10BII+ and TI-BAlI Plus) and prerequisite review material in the areas of Accounting, Economics, Math, and Statistics.
- Interactive Reader with ConceptClips and Quizzes - In addition to eReader tools that allow students to capture highlights and notes in a common location for easy review, an app that will read the text aloud to them, and embedded practice quizzes, students will find interactive tools (ConceptClips) that support learning key financial terminology.
- Practice Assessments and Resources - Includes Blueprint Problems and Finance in Action question sets designed to deepen your understanding and appreciation of core financial concepts. Problem Walkthroughs further explain difficult concepts and homework roadblocks by walking students through solving problems similar to those in the text from start to finish. Problem solutions are provided using each of the following methods, where appropriate: A formulaic approach, solving with a financial calculator, and solving using Excel.
- Adaptive Test Prep - Students decide how many quiz questions they want to review, and the app generates a preparatory quiz -- using questions similar to exam questions. The app provides students with feedback on every question, and students can continue practicing until they feel confident about taking the exam.

EXAMS
The exams are non-cumulative in nature, cover assigned chapters and readings, and will require a thorough understanding of the subject materials to complete in the allotted time available for examination.

- This course includes 3 exams.
- Each exam will be available to access for a 24-hour period.
- Students will have a maximum of two hours from the time of access.
- In order to take the exams, students must access the online exams in OAKS.
- Question types are true/false, multiple choice, short-answer, and essay questions, both qualitative and quantitative.
- All exams are closed book/notes, but you are allowed to have accessible one sheet (front and back) of formulas prepared by you.
- Excel can be used during exams.
- Calculators can be used during exams but not those in your computer or phone.
- NO web browsing or cell phone use is allowed during exams.
- Refer to additional exam information to be posted before each exam in OAKS.
- See the Course Schedule below for scheduled exam dates and times.

POLICY ON MISSED EXAMS & COURSEWORK
It is your responsibility to submit assignments by deadlines. A missed or late assignment without a proper excuse will not be graded. Students with health conditions related to the coronavirus or any other sickness must inform the instructor before the assignment due date for reasonable accommodations. Exams must be taken at the scheduled times. No makeup exam will be given except for emergency situations beyond your control. If such situations arise, you must contact me as soon as you are aware of such events or before the exam starts; otherwise, you will simply receive a score of zero for the missed exam.

College of Charleston
CLASS FORMAT

This is a fully online course. Student should expect a heavy workload. Due to the nature of the Summer term, the material presented daily is equivalent to a week of work in a typical semester course. Therefore, students should understand this and manage their time accordingly. The class format will include online lectures and discussions of theoretical and quantitative material. Lectures will be made available daily. Students must have access to a computer and a high speed internet to be able to complete the course. The reading material and video lectures are available at the course website on OAKS. The condensed nature of the course and the quantitative nature of the materials make it imperative that students carefully monitor their progress. It is expected that students complete the required materials on a daily basis, which requires daily logins and active maintenance of your account.

PARTICIPATION AND COMMUNITY STATEMENT

From Professor
I will use email as a primary tool of communication for this course. I will send email messages to the class at large regarding important announcements. It is expected that you check your college email account and log into OAKS at least once a day. I will respond to emails in 24 hours. The response time may be longer on weekends. You can also set up an appointment for a Zoom meeting with me if you find it more practical.

With Professor and Classmates
We will be using the communication tool in OAKS to interact in this class. I expect the class to participate actively in the course by making use of this OAKS communication tool, discussions. Students are highly encouraged and expected to participate in these discussion forums. Community participation is an integral part of the online learning process. It is my expectation that you will learn from each other through the discussion of ideas on the forum. If there is anything you feel the entire class will benefit from discussing, there will be a discussion forum opened for each chapter. Students are expected to initiate, join, and maintain conversations. In case there is an issue you want to discuss one-on-one with the instructor, you may email her at any time. Please read and review the assigned chapter before posting on the course discussion board.

Students are also expected to provide at least one response to their course mates per chapter. In providing feedback to your course mates, please pay attention to the content and language. This fosters trust and understanding among community members. Students will be evaluated on the quality and insights of their contributions. Quality comments should include one or more of the properties below:

- Offers a different and unique perspective;
- Aids in moving the discussion and analysis forward;
- Builds on other comments;
- Demonstrates some reflective thinking.

Community participation constitutes 5% of the total grade. Points will be assigned based on the instructor’s observation of each student’s participation in discussions.

OFFICE HOURS

I will be actively monitoring the computer for emails, messages, or requests from students during my office hours. Communication can be done via email or Zoom. Students can request a virtual meeting time. Email me to set up an appointment for a Zoom meeting.

OAKS

OAKS, including Gradebook, will be used for this course throughout the semester to provide the syllabus, class materials, and grades for each assignment, which will be regularly posted. Videos, Lecture slides and other course documents will be posted on the OAKS course content. It will be vital for you to check the site on a daily basis in order to keep up with the course.
TECHNICAL ISSUES

Technical issues should be reported to the IT Service Desk at 843-953-3375 or Email: itservicedesk@cofc.edu. The Student Computing Support provides phone and e-mail support to students with computer problems. For more information, access https://it.cofc.edu/help/studentcomputing.php or Email: StudentComputingSupport@cofc.edu. MindTap related technical issues should be directed to Cengage Technical Support at 1-800-354-9706 or http://support.cengage.com. Technical problems do not constitute an excuse for late assignments.

CENTER FOR STUDENT LEARNING

The Center for Student Learning’s (CSL) academic support services provide assistance in study strategies, speaking & writing skills, and course content. Services include tutoring, Supplemental Instruction, study skills appointments, and workshops. Students of all abilities have become more successful using these programs throughout their academic career and the services are available to you at no additional cost. For more information regarding these services please visit the CSL website at http://csl.cofc.edu or call (843) 953-5635.

DISABILITY/ACCESS STATEMENTS

The College will make reasonable accommodations for persons with documented disabilities. Students should apply for services at the Center for Disability Services/SNAP located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsible for notifying me as soon as possible and for contacting me one week before accommodation is needed. For more information, you may visit the disability services website: http://disabilityservices.cofc.edu/

COLLEGE OF CHARLESTON HONOR CODE AND ACADEMIC INTEGRITY

Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when suspected, are investigated. Each incident will be examined to determine the degree of deception involved.

Incidents where the instructor determines the student’s actions are related more to misunderstanding and confusion will be handled by the instructor. The instructor designs an intervention or assigns a grade reduction to help prevent the student from repeating the error. The response is recorded on a form and signed both by the instructor and the student. It is forwarded to the Office of the Dean of Students and placed in the student’s file.

Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XXF in the course, indicating failure of the course due to academic dishonesty. This status indicator will appear on the student’s transcript for two years after which the student may petition for the XX to be expunged. The F is permanent.

Students should be aware that unauthorized collaboration—working together without permission— is a form of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or test, no collaboration during the completion of the assignment is permitted. Other forms of cheating include possessing or using an unauthorized study aid (which could include accessing information via a cell phone or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance.

Research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the instructor.

Students can find the complete Honor Code and all related processes in the Student Handbook at http://deanofstudents.cofc.edu/honor-system/studenthandbook/index.php
GRADING POLICY

Course grades will be determined by total points earned in the course from three exams, chapter assignments, and Excel online activities. The earned points will be weighted as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Number of Items</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation</td>
<td>Continuous</td>
<td>5%</td>
</tr>
<tr>
<td>Excel Online Activities</td>
<td>5 Highest Scores</td>
<td>5%</td>
</tr>
<tr>
<td>Chapter Assignments</td>
<td>10 Highest Scores</td>
<td>15%</td>
</tr>
<tr>
<td>Exam 1</td>
<td>1</td>
<td>25%</td>
</tr>
<tr>
<td>Exam 2</td>
<td>1</td>
<td>25%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>1</td>
<td>25%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

Grades will be assigned as follows:

<table>
<thead>
<tr>
<th>Letter Grade</th>
<th>Range</th>
<th>Letter Grade</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>93-100%</td>
<td>C</td>
<td>73-76.99%</td>
</tr>
<tr>
<td>A-</td>
<td>90-92.99%</td>
<td>C-</td>
<td>70-72.99%</td>
</tr>
<tr>
<td>B+</td>
<td>87-89.99%</td>
<td>D+</td>
<td>67-69.99%</td>
</tr>
<tr>
<td>B</td>
<td>83-86.99%</td>
<td>D</td>
<td>63-66.99%</td>
</tr>
<tr>
<td>B-</td>
<td>80-82.99%</td>
<td>D-</td>
<td>60-62.99%</td>
</tr>
<tr>
<td>C+</td>
<td>77-79.99%</td>
<td>F</td>
<td>0-59.99%</td>
</tr>
</tbody>
</table>
TENTATIVE COURSE SCHEDULE

The instructor reserves the right to update the contents of the schedule anytime during the semester.

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapter</th>
<th>Topic</th>
<th>Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/5 (M)</td>
<td>0</td>
<td>Syllabus; Course Intro &amp; An Overview of Business Finance</td>
<td></td>
</tr>
<tr>
<td>6/6 (T)</td>
<td>1</td>
<td>An Overview of Financial Management</td>
<td>Ch.1 due at 11:59 pm ET, 6/6 (T)</td>
</tr>
<tr>
<td>6/7 (W)</td>
<td>2</td>
<td>Financial Markets and Institutions</td>
<td>Ch.2 due at 11:59 pm ET, 6/7 (W)</td>
</tr>
<tr>
<td>6/8 (R)</td>
<td>3</td>
<td>Financial Statements, Cash Flow, and Taxes</td>
<td>Ch.3 due at 11:59 pm ET, 6/8 (R)</td>
</tr>
<tr>
<td>6/9 (F)</td>
<td>4</td>
<td>Analysis of Financial Statements</td>
<td>Ch.4* due at 11:59 pm ET, 6/11 (SUN)</td>
</tr>
<tr>
<td>6/12 (M)</td>
<td>5</td>
<td>Time Value of Money</td>
<td>Ch.5* due at 11:59 pm ET, 6/12 (M)</td>
</tr>
<tr>
<td>6/13 (T)</td>
<td></td>
<td>Review for Exam 1</td>
<td></td>
</tr>
<tr>
<td>6/14 (W)</td>
<td>1 to 5</td>
<td>Exam 1</td>
<td></td>
</tr>
<tr>
<td>6/15 (R)</td>
<td>6</td>
<td>Interest Rates</td>
<td>Ch.6 due at 11:59 pm ET, 6/15 (R)</td>
</tr>
<tr>
<td>6/16 (F)</td>
<td>7</td>
<td>Bonds and Their Valuation</td>
<td>Ch.7* due at 11:59 pm ET, 6/18 (SUN)</td>
</tr>
<tr>
<td>6/19 (M)</td>
<td>8</td>
<td>Risk and Rates of Return</td>
<td>Ch.8* due at 11:59 pm ET, 6/19 (M)</td>
</tr>
<tr>
<td>6/20 (T)</td>
<td>9</td>
<td>Stock and Their Valuation</td>
<td>Ch.9* due at 11:59 pm ET, 6/20 (T)</td>
</tr>
<tr>
<td>6/21 (W)</td>
<td></td>
<td>Review for Exam 2</td>
<td></td>
</tr>
<tr>
<td>6/22 (R)</td>
<td>6 to 9</td>
<td>Exam 2</td>
<td></td>
</tr>
<tr>
<td>6/23 (F)</td>
<td>10</td>
<td>The Cost of Capital</td>
<td>Ch.10* due at 11:59 pm ET, 6/25 (SUN)</td>
</tr>
<tr>
<td>6/26 (M)</td>
<td>11</td>
<td>The Basics of Capital Budgeting</td>
<td>Ch.11 due at 11:59 pm ET, 6/26 (M)</td>
</tr>
<tr>
<td>6/27 (T)</td>
<td>14</td>
<td>Capital Structure and Leverage</td>
<td>Ch.14 due at 11:59 pm ET, 6/27 (T)</td>
</tr>
<tr>
<td>6/28 (W)</td>
<td></td>
<td>Review for Final Exam</td>
<td></td>
</tr>
<tr>
<td>6/29 (R)</td>
<td>5, 10, 11 &amp; 13</td>
<td>Final Exam</td>
<td></td>
</tr>
</tbody>
</table>

* Chapters 4, 5, 7, 8, 9, and 10 have associated Excel Online Activities. Students must submit the activities for the listed chapters in order to earn grades for Excel Online Activities.