

FIN 3320 Business Finance – Fall 2016
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Office Hours: by appointment

Course Prerequisites:

Prerequisites: MATH 1326, MATH 2333 (or OPRE 3333), ACCT 2301, ACCT 2302, & MIS 3300.
Co-requisite: STAT 3360 or OPRE 3360.

Course Description:

This course is an introduction to corporate finance. It serves as the basis for all other courses in the area of finance and provides the basic financial tool set every business student will need to be successful in her/his chosen career. Students majoring in business administration and accounting, as well as those going further in the study of finance, will find the material to be an essential part of their business education. Regardless of the student's chosen career, these tools and techniques will provide the foundation for making personal financial decisions.

Course Objectives:

You will learn to understand how and when to apply the basic concepts of financial analysis in a business setting, demonstrated through your ability to:

- Be able to apply time value of money concepts to various valuation problems.
 - Be able to describe what drives a firm's cost of capital and how to estimate it.
 - Be able to analyze strategic investments in real and financial assets using various methodologies.
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Required Text and Calculator:

Fundamentals of Corporate Finance, 11th Ed., by Ross, Westerfield and Jordan, McGraw-Hill/Irwin, 2016 with a **Connec Plus access code** is required. *Connect* is an online software that allows students to submit homework assignments and check their work on line. Access to McGraw-Hill *Connect* is required for this course.

The web address for this course on *Connect* is:

<http://connect.mheducation.com/class/k-green-fall-2016---thursday-715-1000pm>

Calculator

You are allowed to use any calculator that you prefer on exams except for (i) calculators that reside on smart phones or (ii) any calculator that has wireless access to the internet. Also, if you use a programmable calculator (e.g., TI-83 Plus or TI-84), you are not allowed to use the programming features of your calculator. An exam proctor will check your calculator before (or during) each exam to be sure that it complies with this rule; if the calculator is not in compliance, the proctor has the authority to remove your calculator for further use on the exam. Please do not risk having to incur the consequences. If you plan to use an unfamiliar, obscure type of calculator, you should check with your instructor any time before the actual exam date to avoid any potential complications during the actual exam. The time-value-of-money material in this course will be taught to you in two ways: (1) using five fundamental math equations and (2) using financial-function keys on a calculator. If you master either approach, you are perfectly well-equipped to be successful in this course; mastering both approaches makes you even more competent.

Reading Assignments:

Before each class, you will want to casually look over the chapter(s) that is (are) scheduled for coverage. Any additional reading assignments will be posted on eLearning as we progress through the semester. I also strongly suggest students read the Wall Street Journal and/or other financial news providers on a regular basis. I will attempt to incorporate current events in the lecture materials.

Grading Policy:

Your grade will be based largely upon your performance on four exams, including a comprehensive final exam that will be taken in common, at the exact same time, by all students who are enrolled in all of the various sections of Fin3320 this semester. Exam dates are listed in the Course Schedule near the end of the syllabus. Please note that the exams are weighted differently. **ROUNDING:** Before calculating the final overall grade, each score (Exams and Homework) is rounded to the nearest 100th of a percent. Final grades are also rounded to the nearest 100th of a percent.

SCALE: A grade $\geq 93.33\%$ is an A, a grade $< 93.33\%$ and $\geq 90.00\%$ is an A–, a grade $< 90.00\%$ and $\geq 86.67\%$ is a B+, a grade $< 86.67\%$ and $\geq 83.33\%$ is a B, a grade $< 83.33\%$ and $\geq 80.00\%$ is a B–, a grade $< 80.00\%$ and $\geq 76.67\%$ is a C+, and so on.

<u>Graded Item(s)</u>	<u>Weight</u>	<u>Graded Item(s)</u>	<u>Weight</u>
Exam 1	20.0%	Homework Assignments	15.0%
Exam 2	20.0%	Uniform Final Exam	25.0%
Exam 3	20.0%		

Exam low score replacement

If lowest score out of Exams 1, 2 and 3 (you should have taken these exams, this would not hold for a missed exam) is less than Uniform Final Exam score, then the Uniform Final Exam score will be used in lieu of the low score.

Curving

For any of the three mid-term exams, if the average score is less than 78.5 (out of 100.0), I reserve the right to upwardly revise every student's score by the difference between the class average on the exam and 78.5. Any upward revision will occur in parallel, across all students, in half-point increments until the 78.5 average is met or exceeded. Any upward shifts on the high end of the range of grades cannot result in any exam score that is greater than 100.0. Note this does not apply to the Uniform Final Exam.

Homeworks:

The *Connect* system should be fairly self-explanatory, in terms of the rules that govern the homework assignments. The total number of points will be *roughly* 700 across the semester. You can expect approximately 6 homework question over each chapter covered in class. Nearly every problem is worth 10 pts. Your homework score will be calculated out of a base of 120 points lower than the whatever the total points end up being. The maximum points that you can achieve is the base, even if your aggregate score exceeds the base. What this rule essentially accomplishes is that it allows any student to drop/skip two assignments (typically worth about 60 points each) and then have his or her score compared against a base that will be 120 points lower than the overall total. (For example, suppose that the total is 700 and a student scores 452. The homework score a 452/580 is a 77.93% – the 77.93% is the homework score that goes into the calculation of your overall course grade.)

Exams Policy:

Exams are closed-book, closed-notes. Laptops are not allowed. The only kinds of calculators that are allowed are described in the Calculators section below. You must also each bring your Comet Card for proper identification during each exam.

I do not allow make-up exams. If you are to miss an exam due to acceptable circumstances, you must notify me prior to your absence, and I will explain your options to you. I reiterate: I do not allow you to make up for a missed exam if you do not notify me of your absence beforehand. On the other hand, if you do proactively approach me, I will provide you with a fair, reasonable option in the event that you have to miss an exam.

Also, please note the date of the comprehensive Uniform Final Exam. You must take the Uniform Final Exam as scheduled.

Uniform Final Exam:

A common final exam will be given for all students across all sections of this Fin3320 course as indicated on schedule. Our section will be assigned a specific time slot by the registrar's office and I will notify you of the timeslot when it is known.

You cannot make up this exam if you miss it. At this comprehensive final exam, you will not be allowed to bring backpacks, bags, books, cellphones, laptops, notebooks, scratch paper, or calculators that store text (such as graphing calculators). The only calculators permitted will be the Texas Instruments BA II Plus (or Plus Professional). You will have to bring a pencil, an eraser, an acceptable financial calculator, a Scantron form 882-E, and a photo ID (UTD Comet Card (preferred), state driver's license, or passport).

Students will not be able to take the exam without a photo ID. Emergencies such as hospitalization, car wrecks on the way to the test, etc., will have to be substantiated by supporting documents and in these cases the students will receive an incomplete in the course and will take the exam during the next scheduled final exam for Fin3320. There will be no exceptions.

Academic Integrity:

The faculty expects a high level of responsibility and academic honesty from its students. Academic responsibility and honesty are important and any departures and/or violations could severely affect your grade and university status. For additional information, please see <http://policy.utdallas.edu/utdsp5003>.

Withdrawals:

The administration of this institution has set deadlines for withdrawal of any college-level courses. These dates and times are published in that semester's course catalog. Administration procedures must be followed. The student is responsible for fulfilling the withdrawal requirements associated with any class. In other words, I cannot drop or withdraw any student. You must do the proper paperwork to ensure that you will not receive a final grade of "F" and receive a "W" instead in a course if you choose not to attend the class once you are enrolled. I will not announce withdrawal deadlines or any other enrollment-related dates.

University of Texas at Dallas Policies and Procedures for Students:

The University of Texas at Dallas provides a number of policies and procedures designed to provide students with a safe and supportive learning environment. Brief summaries of the policies and procedures are provided for you at <http://go.utdallas.edu/syllabus-policies> and include information about technical support, field trip policies, off-campus activities, student conduct and discipline, academic integrity, copyright infringement, email use, withdrawal from class, student grievance procedures, incomplete grades, access to Disability Services (Office of Student AccessAbility – OSA), religious holy days, and avoiding plagiarism. You may also seek further information at these sites: <http://www.utdallas.edu/deanofstudents>, <http://www.utdallas.edu/deanofstudents/policies>, and <http://www.utdallas.edu/studentaccess>.

These descriptions and timelines are subject to change at my discretion.

COURSE SCHEDULE:

<u>Dates:</u>		<u>Homework Due Dates</u>
Aug.25	Introduction, Chs. 2, 3	Ch.-2 HW due Sep.1
Sep.1	Chs. 3, 5	Ch.-3 HW due Sep.8
Sep.8	Chs. 5, 6	Ch.-5 HW due Sep.15
Sep.15	Ch. 6, Review	Ch.-6 HW due Sep.22
Sep.22	<u>Exam 1</u> , Ch. 8
Sep.29	Chs. 8, 7	Ch.-8 HW due Oct.6
Oct.6	Chs. 7, 9	Ch.-7 HW due Oct 13
Oct.13	Chs. 9, 10	Ch.-9 HW due Oct 20
Oct.20	Ch. 10, Review	Ch.-10 HW due Oct 27
Oct.27	<u>Exam 2</u> , Ch. 11
Nov.3	Chs. 11, 13	Ch.-11 HW due Nov. 10
Nov.10	Chs. 13, 14	Ch.-13 HW due Nov. 17
Nov.17	Chs. 14, 12	Ch.-14 HW due Dec. 1
Nov.24	(Fall Break)
Dec.1	Ch. 12, Review
Dec.8	<u>Exam 3</u> , Review for Final

TBD: Final Exam: Comprehensive Exam