

**Jindal School of Management
University of Texas at Dallas
Course Syllabus**

Course: FIN 3320, Business Finance
Section: 007
Semester: Fall 2019
Class hours: Friday 1:00pm-3:45pm
Classroom: JSOM 2.714

Instructor: Yifan Zhu
Email: yzhu@utdallas.edu
Office: JSOM 14.215
Office hours: Wednesday 1:00pm-2:00pm
or by appointment

Pre-requisites

Prerequisites: ACCT 2301 and (MATH 1326 or MATH 2414 or MATH 2419) and (MATH 2333 or MATH 2415 or MATH 2418 or CS 2305 or OPRE 3333). Corequisite: (STAT 3360 or OPRE 3360).

Course Description

This course is an introduction to business 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. There will be weekly lectures on Fridays (1:00pm-3:45pm) at JSOM 2.714. You can reach me by coming to the office hour or sending me emails to the email address above. All materials covered in the class, including the lecture notes, homework, solutions will be posted on eLearning.

Student Learning Objectives

By the end of the course, I hope you will 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.

Required Textbooks and Reading Materials

Teaching materials are drawn from several books, newspapers, and periodicals. There are assigned readings for each class. I expect students come to class prepared for the materials that will be covered that day. You will find the materials much easier to grasp if you have read the assigned materials in advance.

- Textbook: *Fundamentals of Corporate Finance*, 12th Edition, by Ross, Westerfield and Jordan, McGraw-Hill/Irwin, 2019. (If you have an older version of this book, that will suffice. This version is recommended but not required.)
- Useful websites: investopedia.com, finance.yahoo.com

Grading Policy

Your performance for the class will be based on problem sets and exams according to the following scale:

Problem Sets	25%
Midterm I	25%
Midterm II	25%
Common Final Exam	25%
Bonus Points	

You need to take two midterms and the common final exam to pass the class. Letter grades will only be given at the end of the semester based on the weighted average of your homework and exam grades and based on your relative performance in the class. Request for re-grading must be in written form. I expect that all the work will be done in complete observance of the University's rules and regulations regarding academic integrity.

Course & Instructor Policies

Problem Sets

There will be four problem sets distributed during the semester. I will drop the lowest grade (which can be a missing grade) on the problem sets so that only three count toward the final grade. All problem sets must be submitted **in hard copy prior to the beginning of class on the due date**. You should work in groups of at most five students in this class to brainstorm the problems. Each group should turn in problem sets with the names of all participants on it. Every participant in the same group receives the same grade for each problem set.

Midterm Exams

There will be two in-class midterms. To be fair to everyone, exams must be taken on the specified dates. For those who cannot take the tests on the date of exam due to business travel, you should take it before leaving. No makeup exam will be granted (with the exception of medical situation with a doctor's note). Having too many exams within a same day/week is not an accepted reason for moving the exam date. The midterms will consist of multiple choice questions and problem solving questions and they are **not** cumulative. Both midterms are **closed book**. You are allowed to bring one letter-sized sheet of paper (one side only) to each midterm on which you may write anything that you consider relevant for the exam. No cell phone, PDA, laptop, iPad, and other electronic devices, except a scientific calculator or financial calculator, is allowed.

Common Final Exam

A common final exam will be given for all students across all sections of the FIN 3320 course during the final exam week. The FIN 3320 common final exam will be taken online and administered at UTD's testing center. Students are required to reserve a seat at the UTD testing center in order to take the final – no walk-ins will be allowed. You cannot make up the common final exam if you miss it (except as described in the following paragraph). At this comprehensive final exam, you will not be allowed to bring backpacks, bags, books, cell phones, laptops, notebooks, or scratch paper. You will have to bring a pencil, an eraser, an acceptable calculator, and a photo ID (e.g., UTD Comet Card (preferred), state driver's license, or passport).

Note you will not be able to take the exam without a photo ID. Emergencies such as hospitalization, car wrecks on the way to the exam, etc., will have to be substantiated by supporting documents and in these cases you will receive an incomplete grade (an “I”) in the course and will take the exam in a common-hour sitting early in the following semester. There will be no exceptions.

Bonus Points

Each week, several bonus problems will be assigned in class. Each problem is worth ½-2 points, depending on the length and complexity of the problem. There is no penalty for providing a wrong answer, so every student is strongly encouraged to make an attempt and participate in the classroom discussions. In order for all of us to get to know each other and for me to record the bonus credits, please use nameplates in class.

Calculator

You will need a financial or scientific calculator for classes, problem sets and exams. A recommended financial calculator is Texas Instrument BA II Plus (including BA II Plus Professional), but it is not necessary. I will not teach how to use a financial calculator in the class but I will provide tutorials on the calculator on eLearning, so you need to learn this by yourself. For the class, you can use the financial calculator in multiple choice questions. You need to show the formulas and steps or financial-function keys on a calculator for problem solving questions in order to receive any credit.

The Class Schedule

Week of	Topic	Readings
Aug. 23	Introduction and Time Value of Money	Chapter 5
Aug. 30	Valuing Cash Flow Streams	Chapter 6
Sep. 6	Bond Valuation	Chapter 7
Sep. 13	Stock Valuation	Chapter 8
Sep. 20	Investment Decision Rules	Chapter 9
Sep. 27	Midterm I	
Oct. 4	Financial Statements, Taxes, and Cash Flow	Chapter 2
Oct. 11	Financial Statements Analysis	Chapter 3
Oct. 18	Capital Investment Decisions	Chapter 10
Oct. 25	Project Analysis and Evaluation	Chapter 11
Nov. 1	Midterm II	
Nov. 8	Market Efficiency	Chapter 12
Nov. 15	Risk and Return	Chapter 13
Nov. 22	Cost of Capital	Chapter 14
Nov. 29	Thanksgiving Break	
Dec. 6	Review for Common Final Exam	
Dec. 9-13	Common Final Exam	

Student Conduct & Discipline

The University of Texas System and The University of Texas at Dallas have rules and regulations for the orderly and efficient conduct of their business. It is the responsibility of each student and each student organization to be knowledgeable about the rules and regulations which govern student conduct and activities. General information on student conduct and discipline is contained in the UTD publication, *A to Z Guide*, which is provided to all registered students each academic year.

The University of Texas at Dallas administers student discipline within the procedures of recognized and established due process. Procedures are defined and described in the *Rules and Regulations, Board of Regents, The University of Texas System, Part I, Chapter VI, Section 3*, and in Title V, Rules on Student Services and Activities of the university's *Handbook of Operating Procedures*. Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations (SU 1.602, 972/883-6391).

A student at the university neither loses the rights nor escapes the responsibilities of citizenship. He or she is expected to obey federal, state, and local laws as well as the Regents' Rules, university regulations, and administrative rules. Students are subject to discipline for violating the standards of conduct whether such conduct takes place on or off campus, or whether civil or criminal penalties are also imposed for such conduct.

Academic Integrity

The faculty expects from its students a high level of responsibility and academic honesty. Because the value of an academic degree depends upon the absolute integrity of the work done by the student for that degree, it is imperative that a student demonstrate a high standard of individual honor in his or her scholastic work.

Scholastic dishonesty includes, but is not limited to, statements, acts or omissions related to applications for enrollment or the award of a degree, and/or the submission as one's own work or material that is not one's own. As a general rule, scholastic dishonesty involves one of the following acts: cheating, plagiarism, collusion and/or falsifying academic records. Students suspected of academic dishonesty are subject to disciplinary proceedings.

Plagiarism, especially from the web, from portions of papers for other classes, and from any other source is unacceptable and will be dealt with under the university's policy on plagiarism (see general catalog for details). This course will use the resources of turnitin.com, which searches the web for possible plagiarism and is over 90% effective.

Email Use

The University of Texas at Dallas recognizes the value and efficiency of communication between faculty/staff and students through electronic mail. At the same time, email raises some issues concerning security and the identity of each individual in an email exchange. The university encourages all official student email correspondence be sent only to a student's U.T. Dallas email address and that faculty and staff consider email from students official only if it originates from a UTD student account. This allows the university to maintain a high degree of confidence in the identity of all individual corresponding and the security of the transmitted information. UTD furnishes each student with a free email account that is to be used in all communication with university personnel. The Department of Information Resources at U.T. Dallas provides a method for students to have their U.T. Dallas mail forwarded to other accounts.

Withdrawal from Class

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. It is the student's responsibility to handle withdrawal requirements from 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" in a course if you choose not to attend the class once you are enrolled.

Student Grievance Procedures

Procedures for student grievances are found in Title V, Rules on Student Services and Activities, of the university's *Handbook of Operating Procedures*.

In attempting to resolve any student grievance regarding grades, evaluations, or other fulfillments of academic responsibility, it is the obligation of the student first to make a serious effort to resolve the matter with the instructor, supervisor, administrator, or committee with whom the grievance originates (hereafter called "the respondent"). Individual faculty members retain primary responsibility for assigning grades and evaluations. If the matter cannot be resolved at that level, the grievance must be submitted in writing to the respondent with a copy of the respondent's School Dean. If the matter is not resolved by the written response provided by the respondent, the student may submit a written appeal to the School Dean. If the grievance is not resolved by the School Dean's decision, the student may make a written appeal to the Dean of Graduate or Undergraduate Education, and the dean will appoint and convene an Academic Appeals Panel. The decision of the Academic Appeals Panel is final. The results of the academic appeals process will be distributed to all involved parties.

Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations.

Incomplete Grade Policy

As per university policy, incomplete grades will be granted only for work unavoidably missed at the semester's end and only if 70% of the course work has been completed. An incomplete grade must be resolved within eight (8) weeks from the first day of the subsequent long semester. If the required work to complete the course and to remove the incomplete grade is not submitted by the specified deadline, the incomplete grade is changed automatically to a grade of F.

Disability Services

The goal of Disability Services is to provide students with disabilities educational opportunities equal to those of their non-disabled peers. Disability Services is located in room 1.610 in the Student Union. Office hours are Monday and Thursday, 8:30 a.m. to 6:30 p.m.; Tuesday and Wednesday, 8:30 a.m. to 7:30 p.m.; and Friday, 8:30 a.m. to 5:30 p.m.

The contact information for the Office of Disability Services is:
The University of Texas at Dallas, SU 22
PO Box 830688
Richardson, Texas 75083-0688
(972) 883-2098 (voice or TTY)

Essentially, the law requires that colleges and universities make those reasonable adjustments necessary to eliminate discrimination on the basis of disability. For example, it may be necessary to remove classroom prohibitions against tape recorders or animals (in the case of dog guides) for students who are blind. Occasionally an assignment requirement may be substituted (for example, a research paper versus an oral presentation for a student who is hearing impaired). Classes enrolled students with mobility impairments may have to be rescheduled in accessible facilities. The college or university may need to provide special services such as registration, note-taking, or mobility assistance.

It is the student's responsibility to notify his or her professors of the need for such an accommodation. Disability Services provides students with letters to present to faculty members to verify that the student has a disability and needs accommodations. Individuals requiring special accommodation should contact the professor after class or during office hours.

Religious Holy Days

The University of Texas at Dallas will excuse a student from class or other required activities for the travel to and observance of a religious holy day for a religion whose places of worship are exempt from property tax under Section 11.20, Tax Code, Texas Code Annotated.

The student is encouraged to notify the instructor or activity sponsor as soon as possible regarding the absence, preferably in advance of the assignment. The student, so excused, will be allowed to take the exam or complete the assignment within a reasonable time after the absence: a period equal to the length of the absence, up to a maximum of one week. A student who notifies the instructor and completes any missed exam or assignment may not be penalized for the absence. A student who fails to complete the exam or assignment within the prescribed period may receive a failing grade for that exam or assignment.

If a student or an instructor disagrees about the nature of the absence [i.e., for the purpose of observing a religious holy day] or if there is similar disagreement about whether the student has been given a reasonable time to complete any missed assignments or examinations, either the student or the instructor may request a ruling from the chief executive officer of the institution, or his or her designee. The chief executive officer or designee must take into account the legislative intent of TEC 51.911(b), and the student and instructor will abide by the decision of the chief executive officer or designee.

These descriptions and timelines are subject to change at the discretion of the Professor.