



KELCE
COLLEGE OF BUSINESS
Pittsburg State University

Course Syllabus:
Business Finance
FIN 326-02 Fall 2022
KC 207
TuTh 9:30 – 10:45 a.m.

Instructor: Dr. Shum, CFA, CPA, CFM, CMA
Office: Kelce Room 202
Hours: Tu 7:30 – 8 a.m., 12:15 – 4:30 p.m.
W 8:45 a.m. – 12 p.m.
Th 7:30 – 8 a.m., 12:15 – 1:45 p.m.
Phone: 620-235-4568 (Kelce 211 Faculty Suite Administrative Assistant – 620-235-4547)
E-mail: cshum@pittstate.edu

Textbook

Text: (required)

1. Bracker, Lin, and Pursley, *Business Finance Essentials* (this textbook is free)
<https://businessfinanceessentials.pressbooks.com/>
2. *Wall Street Journal* (\$1 per week if you choose to subscribe <https://r.wsj.com/PROFtmwy>)

Calculator: Each student is required to have a financial calculator. The one that will be used in this class is Texas Instrument BAI1 Plus. You may use a different one if you already have one, but you will be responsible for knowing how to use your calculator. Bring your calculator to every class. You MAY NOT share calculators on quizzes or exams. You may not use the calculator function on other electronic devices.

Catalog Course Description

The financial structure of business organization, capital structure, and methods of raising fixed or working capital, questions of financial policy such as dividend policies and the conservation of surplus, comparative balance sheets and income statements.

Prerequisites

ECON 200 Principles of Microeconomics, ACCTG 202 Managerial Accounting, and 55 hours completed.

Course Objectives / Learning Outcomes

The objective of this course is to provide you with an overview of the discipline of Finance. At the end of this course, you should be able to:

1. justify the wealth maximization goal of financial manager; explain the effect of agency issue and the role of ethics on the achievement of this goal.
2. describe the relationship between domestic and international institutions and markets and the basic function and operation of money market, capital markets, and major securities exchanges.
3. classify relevant financial information; analyze financial statements and ratios to evaluate firms' financial status and make appropriate recommendations.
4. discuss the relationship between risk and return; explain how domestic and international diversification can be used to reduce risk, and examine the impacts of risk and return on the firm's investment and financing decisions.
5. discuss time value of money concept and its impact on the value of a firm; use the concept in a variety of contexts.

6. apply basic valuation model to financial assets, and evaluate the relationship between required return and the value of financial assets.
7. apply the tools and techniques available for capital budgeting techniques; identify the advantages and disadvantages of the tools and techniques.
8. discuss alternative working capital management strategies and assess their risk and return characteristics.
9. discuss motives for holding cash and marketable securities; use necessary tools for managing cash flow conversion cycle in order to minimize financing needs.
10. use necessary tools and models to monitor a firm's accounts receivable and to control inventory.
11. describe the financial planning process, including the role of and interrelationship between long-term (strategic) financial plans and short-term (operation) plans.

Teaching Methods

traditional classroom lecture

CANVAS

Announcements, grades, syllabus, and handouts will be posted on CANVAS. Other information might also be disseminated through e-mail.

Attendance Policy

Class attendance is regarded as an obligation as well as a privilege, and students are expected to attend all classes punctually. Attendance will be taken at every class meeting. Excused absences are those that result from involvement with university business only. **All other absences are unexcused absences**, unless specifically excused by the instructor. A student should submit excuses for all absences **within 24 hours**. Each student is allowed two unexcused absences. Each additional unexcused absence will result in a deduction of 1% of the final grade, up to a maximum of 5%. Attending all classes is very essential to performing well in this class. You know when your classes meet. Do not schedule appointments at the time this class meets. These absences will not be excused. If absent, the student is responsible for the material covered in class. The professor will not privately go over materials covered in class.

Classroom Conduct

Noise making, whispering, unexcused interruption of class proceedings, etc., will not be tolerated. All cell phones and other electronic devices must be **turned OFF** during class unless permission to use them has been granted. Any **unauthorized** use of any electronic device (including your cell phone ringing or vibrating during class) will result in a **penalty of 5 points of your overall average** for this class. Professional behavior is expected at all times.

Academic Integrity

All Pitt State students are bound by the academic integrity policies of the university as described and outlined in the current Syllabus Supplement. Please familiarize yourself with these rules and guidelines. In addition, as a course offered through the Kelce College of Business, students in this class are obligated to adhere to the college's Student Code of Ethics as outlined below.

Students pledge to:

- Arrive on time, remain until dismissed at all class sessions, and notify instructors in advance of anticipated absences, late arrivals, or early departures whenever possible.
- Turn off cell phones or other electronic devices while in class, unless permission to use them has been granted.
- Refrain from class disturbances.
- Refrain from use of profane or vulgar language in a threatening or disruptive manner.

- Treat fellow students, staff, faculty, administrators, and property with respect.
- Refrain from giving or receiving inappropriate assistance.
- Prepare assignment and exams honestly, refraining from such unacceptable conduct as plagiarism or unacknowledged appropriation of another's work in any academic work.
- Obey the policies, regulations, and laws of the United States of America, the State of Kansas, The Kansas Board of Regents, Pittsburg State University, and the Gladys A. Kelce College of Business.
- If a student observes someone committing dishonesty in connection with academic work, the student is encouraged to report that dishonesty to the appropriate individual (ex, faculty member, or administrator).

Academic Misconduct Policy

Academic misconduct (cheating) by a student includes, but not limited to, plagiarism, giving or receiving any unauthorized aid on examinations/quizzes or in the preparation of any assignment; copying work from the internet; or knowingly misrepresenting the source of any academic work. Cheating on exams, quizzes or any other assignments is considered academic misconduct and is absolutely prohibited. No cheating of any kind will be tolerated. Anyone caught cheating will receive a grade of "F" for the **course**.

The full text of the Academic Misconduct Policy for the university can be found here:

<https://studentlife.pittstate.edu/code-of-student-rights-and-responsibilities.html>

E-mail Etiquette

Any e-mail sent to me should be treated as business letter. It should start with a formal greeting, such as "Dear Dr. Shum," not "Hey," "Howdy," etc., or just no greeting of any kind. This is good practice for what is expected in the business world. Also, please include the class and section number you are in (e.g., FIN 326-01). The following is an example:

Dear Dr. Shum:

I am in your FIN 326-02 class. Would you please let me know when Chapter 7 homework is due.

Thank you, and best wishes!

Jane Doe

Students with Disabilities

Please inform the instructor if you have a learning or physical disability that interferes with course requirements. Assistance and/or appropriate accommodations may be available through the contacts listed on the current Syllabus Supplement.

Course Evaluation Methods

Exams: There will be four exams. **The Final is comprehensive. Exams may not be made up.** Exception will be granted only if the absence on the day of the exam is an excused absence, and the student provides supporting document for the excuse. If you miss an exam, you will receive zero for that exam. All exams are properties of the instructor and, thus, will be retained by the instructor. However, you are welcome to look at your exams during office hours.

Proper behavior is expected at all times and especially during exams. Everything, including cell phones (turned off), electronic devices, sunglasses, and caps, should be placed in the front of the classroom before exams. (If you have concealed-carry weapon, please make special arrangement on days of exams.) A student may not leave the classroom before turning in the exam. Any communication in any manner

between students after an exam has started is deemed cheating for all participants. No cheating of any kind will be tolerated. Anyone caught cheating will receive a grade of "F" for the **course**.

Quizzes: There will be several short quizzes. These quizzes may be unannounced in advance and given any time during class, or given online outside of class. They will be on topics that have been discussed in class. **No make-up quizzes will be given**, except for excused absences resulting from involvement with university business only.

Graded Homework Problems: Graded homework problems are posted on CANVAS. The solutions to the homework problems are also posted (see Files). You should use the solutions to check your answers and refer to them when you have difficulty solving the problems. Graded homework problems will be collected only if indicated in the course outline. However, completing all assignments even if they are not to be collected will be very essential to performing well on exams and quizzes. All assignments are due at the **beginning** of class on the due date. Any assignment turned in after that are late and will have a penalty of 10% of the point value for each day (24-hour period from beginning of class) that they are late. If you have an excused absence for the day an assignment is due and cannot submit your homework before it is collected at the beginning of class, you should e-mail the assignment to the professor before class on the day it is due. It will be counted as late after that.

Grades:	Exam 1	20%
	Exam 2	20%
	Exam 3	20%
	Final Exam	20%
	Quizzes	5%
	Graded Homework Problem	10%
	Attendance	<u>5%</u>
		100%

The grading scale is as follows:

90 - 100% = A

80 - 89% = B

70 - 79% = C

60 - 69% = D

59% and below = F

Other Policies

Inclement Weather: This class will meet as scheduled in case of inclement weather unless the University cancels classes.

Note: No electronic device (except proper calculator) is allowed during class. Any **unauthorized** use of any electronic device (including your cell phone ringing or vibrating during class) will result in a **penalty of 5 points of your overall average** for this class. (Be sure to turn your phone to non-transmitting mode before class.)

The professor reserves the right to amend and to reorganize this syllabus at any time.

Graded Homework Problems are posted on CANVAS. Due dates are noted below. If there is no due date for the Graded Homework Problems for a certain chapter/topic, it will not need to be turned in.

<u>Date</u>	<u>Topic</u>	<u>Suggested End-of-Chapter Problems for Practice</u>
Aug. 23	Ch.7 Risk and Return	1 (C.V. also), 2a, 2b (k _p only), 5 (required return only)
25		
30		
Sept. 1		
6	Ch. 2 Financial Statements	1, 3
8	Ch. 7 Graded Homework due	
13	External Funding Requirement	
15		
20	Exam 1 (Ch. 7, Ch. 2, and External Funding Requirement)	
	External Funding Requirement Graded Homework due	
22	Ch. 1 Introduction to Financial Management	
	Ch. 6 Financial System and Interest Rates	
	Ch. 3 Time Value of Money	1, 2, 3, 4, 6, 7, 8
27		
29		
Oct. 4		
6	Ch. 4 Bond Valuation	1, 3, 5
	Ch. 3 Graded Homework due	
11		
13	Ch. 5 Stock Valuation	1, 3, 5
	Ch. 4 Graded Homework due	
18		
20	Exam 2 (Ch. 1, Ch. 3, Ch.4, Ch. 5, Ch. 6)	
	Ch. 5 Graded Homework due	
25	Ch. 8 Capital Budgeting	
27		1
Nov. 1		
3	Cash Flow Estimation	
	Ch. 8 Graded Homework due	
8		
10		
15		
17	Leverage and Breakeven Analysis	
22	<i>Thanksgiving</i>	
24	<i>Thanksgiving</i>	
29	Exam 3 (Ch. 8, Cash Flow Analysis, Leverage and Breakeven Analysis)	
	Cash Flow Estimation Graded Homework due	
Dec. 1	Working Capital Management	
6		
8		
13	326-03 Tuesday 11 a.m. – 12:50 p.m.	Comprehensive Final Exam
15	326-02 Thursday 9:30 – 11:20 a.m.	Comprehensive Final Exam

NOTE: Final Exam has to be taken only when scheduled. No early Final Exam will be given.

There will be no extra credit. **Do not ask!** Attendance and assignments carry enough weight (15%) to help greatly improve your grade for the course and there is no reason why you do not get full credit.