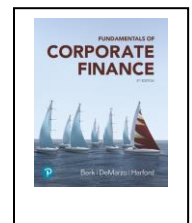




Instructor: Keunyoung (Kay) Kim, Assistant Professor of Finance
Office: Kelce 211A
Hours: M/W 9:30 am – 12:30 pm; T 10 am – noon; Th/F by appointment
Phone: 620-235-4564
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Textbook

[Required] Fundamentals of Corporate Finance, 5th edition, by Jonathan Berk, Peter DeMarzo, and Jarrad Harford. (ISBN-13: 978013671375)



[Optional] Business Finance Essentials by Bracker, Lin, and Pursley. Open & free online access at <https://businessfinanceessentials.pressbooks.com/>.

Financial Calculator

[Required] Financial Calculator is required. I would recommend the Texas Instruments (TI) BA II. I will use this calculator for all illustrations in class.

- You can use an approved calculator (HP 10B, 12C, 17B) other than TI BA II, but should make sure that your calculator has net present value (NPV) and internal rate of return (IRR) functions.
- It is your responsibility to familiarize yourself with this calculator prior to exams.

Other Materials

[Required]

Zoom: Please ensure that you have consistent access to a good Zoom connection. The Zoom link to the lectures will be posted on Canvas by Thursday of each week. Please connect through this link with your PSU email ID.

Web camera and Respondus Lockdown Browser : Students will need a web camera and Respondus Lockdown Browser for online exams which will use Respondus Lockdown Browser and Respondus Monitor to promote academic integrity during exams.

Catalog Course Description

Provides an overview of the tools and techniques that are used to make financial decisions. The emphasis is on the firm level, but application at the personal level is also addressed. Specific topics include, but are not limited to, financial statement analysis, time value of money, risk-and-return analysis, principles of valuation, financial securities and markets, and corporate financial decision-making.

Prerequisites

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

Course Objectives / Learning Outcomes

This course is designed to provide students a fundamental understanding of the various main themes in the field of financial management from a capital market and investment perspective and a business perspective. The course will begin with a discussion of forms of business organizations. Then this course will provide you a foundation for financial concepts such as financial statements, time value of money and valuation for bond and stocks. The course will conclude with a discussion of selecting investments opportunities and risk and return analysis. By the end of the course, students will be able to tackle practical financial problems while having a reasonable theoretical background and understanding to guide your approach to analysis.

Course Outline

Part 1 – Introduction and fundamental concepts

Chapter 1. Corporate finance and the financial manager

Chapter 2. Introduction to financial statement analysis

Chapter 3. Time value of money: an introduction

Chapter 4. Time value of money: valuing cash flow streams

Exam 1: TBD*

Part 2 – Interest rates and valuing cash flows

Chapter 5. Interest rates

Chapter 6. Bonds

Chapter 7. Stock valuation

Exam 2: TBD*

Part 3 – Investment decision and risk and return

Chapter 8. Investment decision rules

Chapter 9. Fundamentals of capital budgeting

Chapter 11. Risk and return in capital markets

Chapter 12. Systematic risk and the equity risk premium

Final Exam: December 8, 2022 (Thursday) 12:00 am– 11:59 pm

*The date of exams 1 and 2 will be announced as the course progresses, but such announcement will be made at least a week ahead.

*This is a tentative outline, and the sequence of chapters and exam dates are subject to change as the semester progresses.

Teaching Methods

On-line asynchronous lectures.

Canvas

Syllabus, lecture slides, homework assignments/solutions, calculator tutorials, grades, and other course materials will be posted on Canvas. Class-related information might also be disseminated through either PSU email or announcement function on Canvas.

Attendance Policy

As this is an online course, traditional attendance policies are not a good match. In terms of this course, attendance is best measured by your progress through specific components of each module and submission of assignments. While regular attendance is critical to your ability to do well in this course, it is your responsibility to monitor your attendance and ensure it is meeting the level necessary to perform at an appropriate level. If you miss 3 consecutive assignments or an exam without contacting the professor with a valid explanation, you may be dropped from the course. However, if you want to drop the course, it is ultimately your responsibility to do so. Do not assume the professor has dropped you from the course.

Classroom Conduct

While there will not be a physical classroom, there are still some expectations regarding “classroom” conduct. Any interactions with the professor or classmates are to be handled respectfully. Failure to treat others with respect and civility will result in a warning at the first offense. Repeated issues will result in point penalties (to be determined by the professor based on the extent and frequency of the offense). In addition, students are expected to be responsible for their progress through the semester. It is up to you to contact the professor through Canvas or email if you are in need of assistance with material. It is also up to you to manage your time. Make sure you are progressing weekly.

Academic Misconduct Policy

Cheating in any form (including plagiarism) will not be tolerated. **The minimum penalty will be a zero** for the exams or any other assignment in which academic misconduct is committed. Cheating on an exam will result in an XF for the class.

According to the Code of Students Rights and Responsibilities:

- Academic dishonesty by a student is defined as unethical activity associated with course work or grades. It includes, but is not limited to:
- Giving or receiving unauthorized aid on examinations,
- Giving or receiving unauthorized aid in the preparation of notebooks, themes, reports, papers or any other assignments,
- Submitting the same work for more than one course without the instructor's permission,
- Plagiarism.

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>

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).

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 (<https://www.pittstate.edu/registrar/syllabus-supplement.html>).

Course Evaluation Methods

Assignments	15 points	(15% of final grade)
Exam 1	25 points	(25% of final grade)
Exam 2	25 points	(25% of final grade)
Final Exam	35 points	(35% of final grade)
Total	<u>100 points</u>	

Grades are assigned as follows

90% \leq A \leq 100%

80% \leq B $<$ 90%

70% \leq C $<$ 80%

60% \leq D $<$ 70%

F $<$ 60%

Assignments

- Homework is worth 15% toward the final course grade.
- Upload your homework on Canvas by due date.
- Due dates allow plenty of time for completion, so **no makeup assignments are permitted**. It is your responsibility to complete assignments by due dates. The assignments are **due by 11:59 p.m. (Central Time) on due dates.**
- This course has several homework assignments primarily in the form of problem sets. You will receive a **score of 10** if you complete all problems on a homework assignment regardless of correctness. You will get a **score of 6** for a partially completed homework. If you fail to submit homework by the due date, you will receive a **score of zero**.
- You must write up all assignments individually by **showing your understanding of the concept and logic**. If not, your work will be regarded as being partially completed.

Exams

- Please pay close attention to the exam dates. The date of exams 1 and 2 will be announced as the course progresses. It is important that you arrive on time for all exams to facilitate seating and provide sufficient time for all.
- Exams will be timed and questions will be randomly selected from a test bank. While these exams will effectively be “open book” (no electronic devices other than your calculator and the computer you are using to take the exam), they are not team projects and time limits will make it important that you are able to move through the material without looking up everything. Any evidence of students working together (including, but not limited to, previewing questions) on exams will result in all students involved failing the class.
- There will be a 24-hour window in which the exams will be open. Exams will be one-shot situations (you cannot retake it if you don't like your result). If you cannot take the exam during the open window you need to (A) let me know in advance and (B) have a valid excuse in order to be eligible for a makeup. Unless it is an emergency situation, “in advance” means before the START of the exam window.
- Testing option: **Students are required to attend every exam**. I generally do not give make-up exams unless testing option has already been taken and your excuse is related to official university trip or illness. Alternatively, students that have prior engagements already scheduled on **one** (and only one) of the predetermined exam dates need to email me to discuss their examination options. Students should only pursue these options under extraordinary circumstances, which must be approved **at least 1 week prior the examination date**. **A lack of preparation, or multiple exams, is not a valid reason** for

requesting alternative testing options. Please note that accepting testing option implies that you also accept any differences among different class exams.

- For each individual student, the percentage of each class exam will change according to his/her testing options.
- **Final Exam: No testing option. All students should take the final exam.**
- Failure to complete the exam during the dates allotted will result in a zero for the exam.
- I have a **zero tolerance for cheating**. Any student(s) caught cheating will have a case brought up against them.

Note

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