



KELCE
COLLEGE OF BUSINESS
Pittsburg State University

Course Syllabus:
Advanced Business Finance
FIN 627-01 Fall 2022
KC 203
TuTh 8 – 9:15 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. Brigham and Daves, *Intermediate Financial Management*, 13th ed., Cengage Learning, 2019. (This book will also be used for FIN 631 in Spring semester.)
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 BAII 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

Analysis of financial problems, policies, planning and decision making. Financing current operations, long-term financing and special financial problems.

Prerequisites

FIN 326 Business Finance, MGMKT 320 Business Statistics, and 55 hours completed.

Course Objectives / Learning Outcomes

To provide you with familiarity of the fundamentals of financial management and reinforce the principles and concepts covered in FIN 326. Emphasis is placed on analyses of financial problems, policies, planning and decision making. You will be given the opportunity to extend your knowledge of financial management beyond the level of FIN 326. Advanced Business Finance deals with decision making involving the various sections of the balance sheet. Global, domestic, and international dimensions of financial decision-making will be explored.

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. Collaborative learning exercise is encouraged, but note that collaborative learning exercise is **not** the same as copying. If your assignments have the exact same wording (including the same typos), it is a clear indication that you are copying and not engaging in collaborative learning. Such behavior will be treated as academic misconduct. If plagiarism is found in group assignments, **all group members** will be counted as having committed this misconduct.

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 the professor 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 627-01). The following is an example:

Dear Dr. Shum:

I am in your FIN 627-01 class. Would you please let me know when Chapter 8 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 three 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 should be placed in the front of the classroom before exams. Sunglasses as well as caps and hats are to be removed before exams. (If you have concealed-carry firearm, 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 either announced or unannounced in advance and given any time during class, or given on-line 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.

Assignments: Problems from the end of each chapter will be assigned. The solutions to the homework problems are also posted (see Files). You should use them to check your answers and refer to them when you have difficulty solving the problems. Completing all assigned problems even if they are not to be collected is very essential to performing well on exams and quizzes.

Other individual assignments and group cases will be given as appropriate. All assignments are due at the **beginning** of class on the due date. Any assignments 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.

For group cases and other assignments, any non-quantitative answers need to be **double-spaced typed in 12-point font size**. Assignments should be **printed on only one side** of the paper.

Grades:	Exam 1	25%
	Exam 2	25%
	Final Exam	25%
	Quizzes	5%
	End-of-Chapter Problems	10%
	Group Cases & Other Assignments	5%
	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 all 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 phones to non-transmitting mode before class.)

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

FIN 627 Course Outline

- Ch. 1 An Overview of Financial Management and the Financial Environment
Time Value of Money
other assignment: TVM EXCEL assignment
- Ch. 4 Bond Valuation
end-of-chapter problems: 7, 8, 12, 18, 21
Mini Case: d, e, f, h1
- Ch. 8 Stock Valuation
end-of-chapter problems: 1, 2, 4, 11, 13, 14, 15
Mini Case: o, p, q, r, u
- Exam 1** (TVM, Chapters 1, 4, 8)
- Ch. 2 Risk and Return: Part I
end-of-chapter problems: 1, 6 (add c—calculate C.V. for J and market), 7, 8
other assignment: Risk and Return spreadsheet/EXCEL assignment
Mini Case: c, d, e, L, o
Group Case: Fred Alberts
- Ch. 3 Risk and Return: Part II
- Ch. 6 Accounting for Financial Management
end-of-chapter problems: 6, 11a, 12
other assignment: Statement of Cash Flows
Mini Case: d, e, f, g, h
- Ch. 7 Analysis of Financial Statements
end-of-chapter problems: 13 a & b
Group Case: Ratio Analysis
- Ch. 9 Corporate Valuation and Financial Planning
end-of-chapter problems: 6, 9*; and from Chapter 8: 6, 18
*Construct Pro Forma I/S before Pro Forma B/S. First iteration to figure out AFN;
2nd to include the AFN in whichever external source the company decides to use.
Mini Case: from Ch. 9: b, d, f1; from Ch. 8: e, f
- Exam 2** (Chapters 2, 3, 6, 7, 9)
- Ch. 10 Corporate Governance
- Ch. 11 Determining the Cost of Capital
end-of-chapter problems: 3, 4, 9, 10, 14 (ignore de minimus), 15
- Ch. 12 Capital Budgeting: Decision Criteria
end-of-chapter problems: 1- 6, 13d (do Project A only), 16**, 22a
**Problem 16: find Replacement Chain NPV and EAA for both planes
Mini Case: c1, d1, i1, i3 (calculate Discounted Payback Periods for both projects
in order to show the difference between Regular and Discounted PB)
- Ch. 13 Capital Budgeting: Estimating Cash Flows
end-of-chapter problems: 1, 2, 3, 5a, + extra problems posted on CANVAS
Mini Case: b, c, d, e, f, g

December 13 Tuesday 8 – 9:50 a.m. **Comprehensive Final Exam**

Group cases are due before the start of Chapter 2 and Chapter 7. End-of-chapter problems are due the class after the corresponding chapters are finished.

Problems from mini-cases will be discussed in class only. You should do those problems before the start of each chapter to prepare for the chapter.

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