



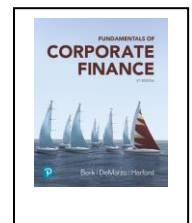
Instructor: Keunyoung (Kay) Kim, Assistant Professor of Finance
Office: Kelce 211A
Hours: T/TH 9:15 am – 12:30 pm; W 10:00 am – 2:00; or by appointment
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Textbook

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

The website for purchasing the book:

<https://www.pearson.com/en-us/subject-catalog/p/fundamentals-of-corporate-finance/P200000005830/9780136713753>



[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.

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

Part 2 – Interest rates and valuing cash flows

Chapter 5. Interest rates

Chapter 6. Bonds

Chapter 7. Stock valuation

Part 3 – Investment decision and risk and return

Chapter 8. Investment decision rules

Chapter 11. Risk and return in capital markets

Chapter 12. Systematic risk and the equity risk premium

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

Teaching Methods: 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

Students are expected to attend all classes on time. Students will need to sign in a roster besides their printed names every class (except the first week class and classes having exams). Students who miss

three or fewer classes by the end of the semester can get the full points. Excused absences do not count against your credit points on attendance (see below section for excused/unexcused absences). Please note: if the number of students who sign in the roster does not match the number of students who are present in the classroom, the WHOLE class will fail to earn the attendance points for that meeting.

- **Excused/Unexcused Absences:** whether an absence is excused or unexcused is determined solely by the instructor with the exception of absences due to religious observance, illness or officially approved trips.

E-mail/Communication Policy

I will primarily utilize the Announcements tool within the Canvas and email as the primary means of communicating updates and changes related to the course. I make every effort to respond to emails within 24 hours, excluding weekends and holidays. To ensure a timely response, please include "FIN 326-03" in the subject line of your email. In the event that you encounter an emergency situation that may impact your ability to complete coursework on time, please notify me as soon as possible and provide a brief explanation of the emergency.

Classroom Conduct

Professional behavior is expected and required during the class. Please be in the classroom punctually and avoid late arrival and early departure. You are expected to always avoid disruptions. You can bring laptop to class and use them to take notes or look up material to help your understanding of the lecture. Please avoid use of cell phone in class and refrain from using your laptops for activities that distract people around you. In addition, keeping up with homework assignments and reading assignments is essential to getting the most from this class.

Course Evaluation Methods

Assignments	10 points	(10% of final grade)
Attendance	5 points	(5% 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>	

The final letter grade will be determined by the weighted average.

Grades are assigned as follows;

- 90% <= A <= 100%
- 80% <= B < 90%
- 70% <= C < 80%
- 60% <= D < 70%
- F < 60%

Assignments

- Homework is worth 10% toward the final course grade.
- Upload your homework on Canvas by due date. If you fail to submit homework by the due date, you will receive **a score of zero**.
- 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. **For each question**, you will receive **a score of 10** if you write up the answer by showing your understanding of the concept and logic regardless of correctness.
- If not, your work will be regarded as being partially completed and will get **a score of 6** for a partially completed problem.
- Example of grading
 - Q: Find the present value (PV) of the cash flows.
 - Answer A: $PV = \$100 \rightarrow$ **a score of 6**
 - Answer B: $N=10$, interest rate= 5%, $FV = \$115$, $PMT = 0 \rightarrow$ **a score of 10**

Exam Dates: This course will include three in-class exams and one quiz.

Syllabus quiz	January 19 (Thursday), originally scheduled class time
Exam 1	March 2 (Thursday), originally scheduled class time
Exam 2	April 6 (Thursday), originally scheduled class time
Final Exam	May 9 (Tuesday), 2:00 – 3:50 pm. Kelce 207

* Final exam dates and times are published by the University as follows:
<https://www.pittstate.edu/registrar/final-exam-schedule.html#undefined2>

Please note, students are required to bring their own laptops to class on the day of each exam as the exams will be conducted through Canvas with the use of the LockDown Browser. You will need to download and install the LockDown Browser to access exams from Canvas.

Exams

- Please pay close attention to the exam dates. It is important that you arrive on time for all exams to facilitate seating and provide sufficient time for all.
- 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.**
- Exams are closed-books and closed notes.
- Failure to complete the exam during the dates allotted will result in a zero for the exam.
- You must bring a **valid student ID** to the exam. Failure to produce a legitimate picture ID when asked will result in your inability to take the exam.
- Students need to bring an **approved financial calculator**.
- Students must comply with the following items during the exam: do not sit near acquaintances or friends, hats and visors are not permitted, cell phones or other electronic equipment are not allowed, calculators must be approved, examination area needs to be cleared of paper and books, book bags and purses should be placed near the walls of the classroom, conceal your answer sheet from those around you, keep your eyes on your own exam, do not talk during the exam, and return the exam to the instructor. Violations of these rules will result in failure of the exam, and/or course.
- I have a **zero tolerance for cheating**. Any student(s) caught cheating will have a case brought up against them.

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>).

Syllabus Supplement

Additional information regarding institutional policies and student support services, and key dates can be found in the Syllabus Supplement.

(https://www.pittstate.edu/registrar/_files/documents/syllabus-supplement-spring-2023.pdf)

Note

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