

**FIN 300 Business Finance Syllabus
Spring 2020**

Section 1: M 12:00-2:50PM (Broome 1360)
Section 2: TH 9:00-11:50AM (Broome 2330)

Instructor: Kyungyeon (Rachel) Koh, PhD
Term: Spring 2020
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Office Hours: M 8:30AM-11:30AM
Tu 12:15PM-2:45PM or by appointment

Why should you learn finance? Finance intimidates many students because of a common misconception that the content to be learned in finance is mostly technical rather than intuitive and has little to do with our everyday lives. In fact, finance consists of necessary and practical knowledge that you will find useful in life. Have you ever wondered if you can afford your dream house, car, vacation, post-retirement life, and et cetera, with the salaries from your career? How much and when should you start saving to send your children to college in the future? If you have a great business idea but no money to start business, what should you do? Answers to these kinds of questions that you ask yourself at some point in life can be found from the lessons in finance. Because this course is “business finance,” we will put things in the business context, but as you will see, everything is easily applicable to our very own financial decisions.

Course Description: This course is a required introductory course to all undergraduate business students. FIN 300 introduces students to theories and practices of principles of planning, procuring, and controlling long-term and short-term financial resources of business organizations. Main topics include financial statement and analyses, time value of money, capital budgeting, debt and equity markets, security valuation, risk/return and diversification, cost and structure of capital, dividend policies, and raising capital. FIN 300 is a critical element of business education, and it will demand a great amount of time and work from students. At minimum, students are **expected to dedicate 5-7 hours outside of class** per week for successful completion of the course. The effort will pay off, and students will come out of the course well-equipped with the necessary skills and knowledge for their career.

Prerequisites: ACCT 210 (Financial Accounting), MATH 140 (Calculus for Business Applications) or MATH 150, or any equivalent, Working knowledge of Excel

Learning Outcomes Students completing this course will be able to:

1. Explain and apply theories and concepts of business finance. In detail, you should be able to:
 - A. Identify the ultimate goal of financial management (2,3,5*)

- B. Construct and analyze financial statements (1,2,3,5)
 - C. Calculate Time Value of Money (TVM) and apply TVM skills to stocks and bonds valuation (1,2,3,5)
 - D. Estimate various investment criteria and evaluate capital budget decisions (1,2,3,5)
 - E. Explain the trade-off relationship between risk and return and apply Capital Asset Pricing Theory (1,2,3,5)
 - F. Calculate and apply Weighted Average Cost of Capital (1,2,3,5)
 - G. Identify various methods and channels of raising capital(1,2,3,5)
2. Analyze business finance case(s) using finance theories and practices (1,2,3,4,5,6)
3. Work collaboratively in a group environment (1,2,3,4,5,6)
- *Above Learning Outcomes aligns with MVS' Program Learning Outcomes for: 1) Critical thinking, 2) Oral communication, 3) Written Communication, 4) Conduct (Ethics), 5) Competencies in discipline, 6) Collaboration

Course materials:

- I. Textbook: Essentials of Corporate Finance 9th Ed. or 8th Ed. By Ross, Westerfield, and Jordan (McGraw Hill). While **not required** to purchase or rent, reading the chapters covered in class is highly **recommended**. Copies are available in the library and in my office for supplementary reading.
- II. Course workbook (topic by topic): **Required**. Printed double-sided, binded. No need to color-print. I won't be making any more study guides other than this. Try to make your own, shorter-version study guides. Trust me, it will help. The course workbook will become available topic by topic on Canvas. Please have it printed and bring to class.
- III. Calculator: If you don't have any calculator at all (that supports advanced computations such as exp(), log(), ln(), etc.), please purchase the TI BAII or TI BAII Plus financial calculator. It supports every application and function needed for class. If you already have TI 83, 84, or a similar graphing calculator, purchasing a financial calculator (TI BAII or TI BAII Plus) is still encouraged. However, a graphing calculator does support financial applications **but** just be aware that it will demand some extra work for you to figure out how to use a TI 83 or 84 instead of TI BAII for financial applications, because I will primarily explain the TI BAII keys and functions in class. You will have to consult the tutorials on www.tvmcalculators.com.
- IV. Canvas and CI email: Students must have access to course canvas and CSUCI email accounts. **Please turn on the email notification for announcements.**
- V. Business/Finance/Economic news: You can find the latest issues of The Wall Street Journal and BusinessWeek at the university library, or find daily business/finance news on websites such as <http://www.bloomberg.com/>, <http://money.cnn.com/>, <http://finance.yahoo.com/>.

Course Grade Composition: The sum of all points is 1000 pts.

- I. Participation (50 pts, 5%): May be a random in-class or online attendance check; Asking and answering questions in class and online (Canvas discussion), participating in in-class or online activities, not using cell phones and laptops, arriving early and sitting in the front for me to recognize you, visiting my OHs, etc.
- II. News Article Summary Presentation (50 pts, 5%): Summary is worth 30 points, talk is worth 20 points.
- III. Quizzes (200 pts, 20%): The quizzes are based on the recent materials just covered and are generally multiple choices. There will be 5 to 6 quizzes (could be take-home, in-class, or online).
- IV. Individual Case Study (150 pts, 15%) and group presentation (50 Points, 5%): Everyone is responsible for submitting the case study report and will work on it individually. After the report due date, you will be assigned into a group to prepare a 15-min group presentation at the end of the semester.
- V. Exams (500 pts, 50%): Will be a combination of both multiple and short-essay questions. (25%, 25%)

Details on the Grade Components

- I. Participation: There may be a random attendance check for a regular class (meaning a class without an in-class quiz or exam). You're expected to find an attendance check slip, if there is one (will be indicated on the whiteboard). If you have to be absent and to find out what will be covered, you can check out the course schedule and course workbook. Come to office hours or email me *afterwards* if you'd like to catch up on your missed class. For extenuating circumstances related to a medical condition or disability for which you may require reasonable accommodation, please refer to the Disability Statement.

This class is a 2-hour and 30-minute session (two 1 hour and 15 min classes combined into one), so I like to break up the class time in the following way: **1 hour lecture, 10 minute break, 1 hour lecture, 30 minute online**. Some of your participation points will be contributed by your online activities on Canvas. For this reason, I require you to ***check Canvas regularly and keep up-to-date online***.

- II. News Article Summary and Presentation: Keeping up with the current issues is very important in studying business. There will be a sign-up Google sheet on Canvas. Please put your name down ASAP (will be first-come first-served). On the day you signed up, you are required to **1) turn in a half-page summary** (typed in Word, 12 point font, single-spaced, Times New Roman) of a financial article of your choice and **2) prepare a 1-2 minute talk** on the article to class. We will have 3-5 students present on each class day. Any recent financial article published within 2-4 weeks before the class can be discussed. Briefly summarize the article including the following points: *Who, When, Where, What, How, Why?* Comment and reflect on the article, rather than a mere summary. If you can tie it to anything we learned in class,

even better! PLEASE DO NOT READ OFF of your note. You will *lose 10 points* for reading off. Rehearse sufficiently before you come to class on the day.

- III. Quizzes: There will be five to six in-class or online or take-home quizzes to check your understanding on the past 2-4 lectures covered. They will be mostly multiple choices (sometimes short-essay) to check on your understanding of the new terminology, formulas, concepts, problems, etc. A good way to prepare for quizzes is to attend every lecture, do every practice problems in the course workbook, do suggested problems in the textbook, and memorize the new terminology (Practice, practice, practice). There is no excuse for missing quizzes. Unless it's an emergency with legitimate proof, there is no need to let me know if you will be missing any quizzes.
- IV. Individual case study and group presentation: This is a semester-long project that you will begin starting two weeks into the semester. It is meant for you to learn a real-world application of concepts and tools learned in class. More detailed instructions will be given out and explained in class. Notice that the case study takes up as much as the final exam in determining the course grade.
- V. Exams: There will be two exams: two in-class midterm exams. Please **come see me (no emails) at least 10 days in advance** if you cannot take the exam on the designated date. If you fail to notify me at least 10 days in advance, you agree that you forfeit the right to take the make-up exam. The make-up exam needs to be taken during the 1-week period *before* the actual exam date. If a sudden illness prevents you from taking it on time, you *have to* bring me a doctor's note from the university clinic visitation. Even if you weren't sick enough to see a doctor, you still need to go see the doctor for the note.
- Retake exams: If you scored below 60%, you will have a chance to retake it *during the finals week, not immediately after it.*
 - i. In case you fail both midterm 1 and 2, you can retake only one of the two, which you can choose.
 - ii. The maximum you can earn on the retake is 60%.
 - iii. *The retake must be taken at the library LRC in the morning of Monday-Thursday starting between 8:00-8:30AM.* No exceptions.

Letter Grade: Course letter grade will be determined based on the percentage of your points out of 1000. The "ABCDF" grading system will be used with the addition of "+" or "-" to any grade except "F." By adding a "+", the grade points earned shall increase by 0.33 (except that A+ shall still be 4.0 grade points). By adding a "-", the grade points earned shall decrease by 0.3.

Percentage grade	Letter grade	Grade points of a four-point scale
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100% or above	A+	4.0
93% to 99.99%	A	4.0
90% to 92.99%	A-	3.66
87% to 89.99%	B+	3.33
83% to 86.99%	B	3.0
80% to 82.99%	B-	2.66
77% to 79.99%	C+	2.33
73% to 76.99%	C	2.0
70% to 72.99%	C-	1.66
67% to 69.99%	D+	1.33
63% to 66.99%	D	1.0
60% to 62.99%	D-	0.66
Below 60%	F	0

Final Exam Dates (Group Presentations):

Section 1: Monday May 18th 10:30AM – 12:30PM

Section 2: Thursday May 21st 8:00AM – 10:00AM

Class Policies

1. We will make sure to use professional email etiquettes in class with each other to get prepared for future business email communications in your career! That is, email communications with me will be welcomed, or even preferred, as long as we follow these rules:
 - a. In the subject, please include the course number and your section number ‘FIN 300 Sec #’ and a brief reason for the communication. Examples: ‘FIN 300 Sec 2: Make-up for exam 1’; ‘FIN 300 3: Missed last class’; ‘FIN 300 4: Questions about the exam’, etc.
 - b. Always err on side of formality when you’re not sure. Begin your email assuming the highest level of courtesy. In general, always address recipients by their last name, unless the person has given you some sort of signal to call them by their first name.
 - c. Always end your email with a small signoff, something like: “Best,”, “Best regards,” “Sincerely,” etc.
 - d. Have a signature block to use at the very end of every email. Use the following template:
Your full name
What major, Class of 20__
Any position in school organizations
California State University—Channel Island
2. How to effectively use my office hours: you will be welcomed in my office. But I have about 120 students this semester, and for the limited time I have open for you, I’d like to make this time as productive and rewarding for both you and I as possible.
 - a. I’ve had students come and ask questions like “can you just review the whole thing again?” “Can you summarize the stuff that will be on the exam?” This, you can and must do yourself. Please keep in mind that I am not your tutor. The estimated time you need to spend for this course outside of class is 5-7 hours a week. This includes the time to review, study, and make notes for yourself. As mentioned before, I won’t be making any more study guides than the course workbook I put together.

- b. Before you come to my office hours, do your homework. At the least, review the lecture notes, read the textbook chapters, do some practice alone, and know the definitions.
 - c. Come to my OH when you can't proceed further without my help.
 - d. If you missed a class, check the class schedule, read the corresponding textbook chapters and course workbook, try to consult your classmates, and then come to me as your last resort. Please understand that I cannot repeat the entire lecture again for every student that missed a class. Try your best to attend every class.
 - e. "Can you do this problem? (showing no prior attempts.)" is unacceptable.
 - f. It is *okay* to come to my OH to ask about a part of the lecture for which you were present but just simply missed or forgot.
 - g. It is okay to come to my OH to have a discussion, ask questions, or talk (not necessarily directly related to the class content but related to academics, finance, career, etc).
3. No late work will be accepted. This policy applies to the projects, all exams, and quizzes. If you will be absent in class on the due date, you have to **submit it to my office before it's due**.
4. Cell Phones, Calculators, and Laptops: Cell phones must be set to "Off." If you are expecting an urgent call you may set it to "Vibrate" and leave the classroom to answer the call. Texting is not allowed and cell phones shall not be visible during class at any time. If you're caught texting or browsing with your smartphones, you agree to turn in your phone and pick it up from me after class. Programmable calculators are not allowed on homework, quizzes, and exams. **No laptop computers or tablets are allowed in classroom, not even for note-taking purposes** unless specifically instructed to use it for class purposes.
5. Add/drop, withdraw, and incomplete policy: Students should comply with the university policy for add/drop, withdraw, and incomplete procedure.
6. Statement of Academic Integrity: This course will adhere to CSUCI's academic dishonesty policy.
7. Accommodations for Students with Disabilities: Cal State Channel Islands is committed to equal educational opportunities for qualified students with disabilities in compliance with Section 504 of the Federal Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA) of 1990. All requests for accommodations need appropriate advance notice by the student to avoid a delay in services. Please discuss approved accommodations with me as soon as the semester starts. If you are a student with a disability requesting reasonable accommodations in this course, please visit Disability Accommodations and Support Services (DASS) located on the second floor of Arroyo Hall, or call 805-437-3331. <https://www.csuci.edu/dass/students/apply-for-services.htm>.

Note: Information contained in this syllabus, other than that mandated by the University, may be subject to change without advance notice. Topics and assignments and their timing listed under the tentative course schedule may be adjusted during the semester depending on the pace and needs of the class.