

# Linfield College

## Course Syllabus

### Spring Term 2007

**Course:**

BUS 341

Financial Management (computer mediated)

3 credit hours

**Instructor:**

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**Course Description:**

You will learn the basic tools of finance. We will start with how to value distant and uncertain cash flows and move through understanding risk and applying the tools to make investment decisions for a firm and yourself. We will also survey the fundamental drivers of financing policy in a corporation and you will learn how stocks and bonds are valued and how financial markets interact with businesses. Unless you understand finance, you cannot have a thorough understanding of a company's decision-making process. What you learn in this course will help you understand the operations of your future employer (and enable you to be more successful at your job), and help you understand other companies you encounter in your role as competitor, consultant, or investor. We will cover approximately the first 17 chapters of the text.

**Instructional Materials (required):**Fundamentals of Corporate Finance7<sup>th</sup> edition 2006

Ross, Westerfield and Jordan

McGraw-Hill Irwin

ISBN 0073134287

The textbook can be purchased at the bookstore or online at:

[www.linfieldbookstore.com](http://www.linfieldbookstore.com)**Course Requirements:**

During the term we will cover the following chapters of the textbook:

Chapter 1: Introduction to Corporate Finance

Chapter 2: Financial Statements, Taxes and Cash Flows

Chapter 5: Introduction to Valuation: The Time Value of Money

Chapter 6: Discounted Cash Flow Valuation

Chapter 7: Interest Rates and Bond Valuation

Chapter 8: Stock Valuation  
Chapter 9: Net Present Value and Other Investment Criteria  
Chapter 10: Making Capital Investment Decisions  
Chapter 12: Lessons from Capital Market History  
Chapter 13: Return, Risk and the Security Market Line  
Chapter 15: Cost of Capital  
Chapter 16: Raising Capital  
Chapter 17: Financial leverage and Capital Structure Policy

For each chapter we cover students will be required to:

1. read and understand the materials in the textbook as well as instructor notes
2. prepare solutions (in MS Excel or MS Word) to selected problems from the textbook and submit your file to me via the assignments page.
3. take a timed online quiz (10 multiple choice questions) via the assessments page

In addition, students will take (online) a midterm exam and a final exam.

**Major Assignments: weights**

Chapter quizzes 25%

Problems from the text 25%

Midterm exam 25%

Final exam 25%

Total 100%

**Chapter quizzes:** There are 12 online quizzes. Each quiz contains 10 multiple choice questions worth 10 points each. The time allotted will be specified for each quiz.

**Homework problems from the text:** For each chapter I will assign homework problems from the text. Your solutions are to be prepared in MS Excel or MS Word and submitted to me via the Assignments page. Here's how I grade them:

1. Submitted, all correct = 100%
2. Submitted, some mistakes = 90%
3. Submitted, showed insufficient effort or understanding = 70%
4. **Not** submitted = 0%

Thus, the key is to complete the problems (even if they are not perfect) and submit them on time. Don't stress on whether or not you have the exact right answer. I will post the authors' **master** solution in the homework solutions folder (on the course content page) for each chapter the following week so that you can compare your solution to theirs. Then use your corrected solution when studying for the midterm and final exams.

**NOTE: Assignments not submitted by the posted due date will NOT be accepted for credit.**

I WILL DROP YOUR LOWEST QUIZ **OR** HOMEWORK GRADE BEFORE CALCUALTING YOUR FINAL GRADE. I will only drop one grade, and again, I will not accept any late assignments/quizzes for ANY reason. To be fair to everyone, please do not ask for special consideration. If you will be away/unavailable, we can arrange for you to complete assignments/quizzes early.

**Midterm and final exams:** These exams will be taken online. Some of the exam questions are taken from the chapter quizzes or homework, others are new questions. You will have 2 hours and thirty minutes to complete

the exams.

### Schedule

WEEK	BEGINS	ENDS	TOPIC
week 1	2/19/2007	2/25/2007	Introduction and Chapter 1
week 2	2/26/2007	3/4/2007	Chapter 2
week 3	3/5/2007	3/11/2007	Chapter 5
week 4	3/12/2007	3/18/2007	Chapter 6
week 5	3/19/2007	3/25/2007	Chapter 7
week 6	3/26/2007	4/1/2007	Chapter 8
week 7	4/2/2007	4/8/2007	Midterm Exam
week 8	4/9/2007	4/15/2007	Chapter 9
week 9	4/16/2007	4/22/2007	Chapter 10
week 10	4/23/2007	4/29/2007	Chapter 12
week 11	4/30/2007	5/6/2007	Chapter 13
week 12	5/7/2007	5/13/2007	Chapter 15
week 13	5/14/2007	5/20/2007	Chapter 16 & Chapter 17
week 14	5/21/2007	<b>THURSDAY</b> 5/24/2007	Final Exam

### Grading Criteria:

Grades are awarded based on the total percentage earned by completing the assignments.

90%-100% A

80%-89% B

70% -79% C

60% -69% D

59% and below F

special cases I (Incomplete)

(A grade of **I** may be given when the quality of work has been satisfactory but some **MINOR BUT ESSENTIAL** requirement of the course has not been completed. If the work is not completed within a year, the grade will change to **F**).

I grade this way so as to make the course non-competitive and to encourage collaboration, as much as that is possible in an online course. I especially encourage students to contact each other to share ideas from the textbook, to prepare for exams and quizzes and to work out solutions to the exercises and problems. You are

not competing against your classmates, only yourself.

I do not assign + or – grades.

**Accommodation**

If you have a disability and need an accommodation, please contact me via Private Mail. Students requesting accommodations must provide documentation of disability and should work through their advisor or The Director of Learning Support Services at Linfield.