

**Benedictine University**  
**FINA 300-20 Managerial Finance**

***Instructor Information:***

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**Office Hrs:** By appointment

***Class Information:***

**Dates:** 6/9/08 – 8/17/08  
**Time:** Wednesday, 6-10 p.m.  
**Location:** Becker Library – L13

I. **COURSE DESCRIPTION:** (3 credit hours) Analysis of the functions of financial management in the decision making process of the firm. Course Prerequisites: ACCT-112 Principles of Accounting II (Managerial) and MATH-115 - Finite Mathematics II.

II. **TEXTBOOK/MATERIALS:** Brigham, Eugene F., and Houston, Joel F., *Fundamentals of Financial Management*, 11<sup>th</sup> Ed., Harcourt College Publishers, © 2007.

***A financial calculator is required for this class. If a student does not currently own a financial calculator, they should purchase one before the first night of class and begin familiarizing themselves with the various financial features.*** Examples of appropriate calculators include Texas Instruments (TI 83, TI 83 Plus, or BA II Plus) or Hewlett-Packard (HP 10B, 12C, or 17B). If you have any questions regarding this requirement, please contact the instructor.

III. **MISSION STATEMENT:** Benedictine University is dedicated to the education of undergraduate and graduate students from diverse ethnic, racial and religious backgrounds. As an academic community committed to liberal arts and professional education distinguished and guided by our Roman Catholic tradition and Benedictine heritage, we prepare our students for a lifetime as active, informed and responsible citizens and leaders in the world community.

IV. **GOALS AND OBJECTIVES**

A. **Goal:** To provide students with the basic tools for effective financial decision-making within a firm and to develop an understanding of financial markets and security valuation.

B. **Course-Based Student Learning Objectives (CBSLOs):** At the completion of the course, students should be able to do the following:

1. CBSLO-1: Understand the role of financial managers in a business organization and be able to analyze the basic financial statements of a firm.
2. CBSLO-2: Demonstrate how financial markets operate and the relationship between risk and return.
3. CBSLO-3: Analyze security prices and make financial decisions based on their valuation.
4. CBSLO-4: Apply quantitative techniques to make long-term investment decisions.

V. **TEACHING METHODS:** Lecture, classroom discussions, outside reading, and practical applications will be used to facilitate learning. Students should monitor various news outlets (*Wall Street Journal, Business Week, Fortune, Forbes, or The Economist*) for financial information that relates to the topics discussed in the course.

VI. **COURSE REQUIREMENTS**

A. **Attendance/Participation –** Students are expected to attend every class and remain for the full class session. Active participation in classroom discussions and exercises is also expected. Poor attendance and/or unwillingness to participate in the class sessions will be reflected in the participation

component of your grade. At the instructor's discretion, more than 1 absence will likely result in a lower overall class grade.

- B. Reading Assignments – These assignments are necessary to ensure students grasp the financial topics discussed. Reading assignments in the textbook should be completed prior to the scheduled class discussion. Students should be prepared to discuss the assigned reading.
- C. Written Assignments – Students are expected to complete 1 project and 1 analysis paper. These assignments incorporate the information reviewed in class to a “real-world” application. Additional information on these assignments will be provided in class.
- D. Makeup Work – **No makeup exams will be given without prior permission.** Late assignments will result in a significant reduction in the assignment grade and will only be accepted until the beginning of the class session following the original due date.
- E. **SC-BU Academic Integrity Statement: “Thou Shalt Not Steal”\***

Academic and professional environments require honesty and integrity, and these qualities are expected of every student at Springfield College-Benedictine University. In accordance with such expectations, academic integrity requires that you credit others for their ideas. “By its very nature, education and the accumulation of knowledge is a shared enterprise” (Taylor), and as scholars, we are both recipients of and contributors to that “enterprise,” but we must always approach the principle of “shared” with integrity. Plagiarism, whether intentional or not, is a grievous offense. Any time you use words or ideas that are not your own, you must give credit to the author, whether or not you are quoting directly from that author. Failure to do so constitutes plagiarism.

Diana Hacker explains: “Three different acts are considered plagiarism: (1) failing to cite quotations and borrowed ideas, (2) failing to enclose borrowed language in quotation marks, and (3) failing to put summaries and paraphrases in your own words” (359). Plagiarism is defined by the Council of Writing Program Administrators as follows: “In an instructional setting, plagiarism occurs when a writer deliberately uses someone else’s language, ideas, or other original (not common-knowledge) material without acknowledging its source.” Academic authorities also consider “carelessly or inadequately citing ideas and words borrowed from another source” to be a form of plagiarism (CWPA Best Practices Statement). The faculty at SC-BU will work closely with students to make the distinction between acting “deliberately” and acting “carelessly.”

Each of the following is an example of plagiarism and/or academic dishonesty:

- attempting to pass off all or part of someone else’s work as your own (e.g. exams, essays, speeches, lesson plans, art projects, lab data, etc.);
- attempting to pass off someone else’s idea(s) as your own (see list of examples above)
- buying entire or partial assignments from the Internet or another source;
- having a friend, classmate, or relative write an essay or complete an assignment for you;
- “cutting and pasting” text, whole or partial, from the Internet without documentation;
- “borrowing” text or ideas, whole or partial, from the Internet or another source without documentation;
- using a paper or parts of a paper you wrote for a previous or current class without approval and guidance from the instructor (self-plagiarism);
- failing to use quotation marks when using another writer’s exact words;
- repeating or improperly paraphrasing another writer’s words; and
- failing to properly cite someone else’s writing or ideas.

This list is by no means exhaustive. Any incident of plagiarism and/or academic dishonesty may result in serious consequences. Penalties for plagiarism vary depending of the severity or extent of the problem but are always serious. The College has instituted a “two-strike” policy concerning any offense deemed deserving, and repeat offense will receive zero-tolerance.

The following are consequences you may face for academic dishonesty:

- a failing grade or “zero” for the assignment;
- dismissal from and a failing grade for the course; or
- dismissal from the Institution.

Ultimately, the consequences for violating academic integrity pale in comparison to what is lost by an individual in terms of their own integrity and learning growth. Consult with your instructor to discover the documentation style (e.g. MLA, APA, Turabian, CMS, AP, etc.) required for the course and conventions of your specific discipline. Consult the specific style guide or the SCI library Website (listed under “Websites”) for proper instruction regarding documentation in academic and other discourse communities and disciplines.

The Springfield College-Benedictine University campus uses SafeAssign for the protection of both the student’s and others’ intellectual property. Additionally, SafeAssign can be used as a tool to help you with an essential aspect of academic discourse: the proper way to incorporate and cite source material in your own writing. SafeAssign also helps protect your work, your own intellectual property, from being subject to plagiarism. Specified assignments must be submitted electronically to SafeAssign (in Blackboard) by the due date, along with turning in a hard copy to the instructor.

#### Works Cited

Council of Writing Program Administrators. “Defining and Avoiding Plagiarism: The WPA Statement on Best Practices.” *Council of Writing Program Administrators*. January 2003. 4 March 2008 <<http://wpacouncil.org/node/9>>

\*God. “The Ten Commandments.” *The Bible*. Exodus 2:17.

NOTE: Though considered common knowledge (and common sense), and having passed through the hands (or tablets) of a secondary source, attribution belongs to the primary source, and that would be God.

Hacker, Diana. *A Writer’s Reference*. 6<sup>th</sup> ed. Boston: Bedford / St. Martin’s, 2007.

Taylor, Bill. “Academic Integrity: A Letter to My Students.” *Center for Academic Integrity*. 4 March 2008 <[http://www.academicintegrity.org/educational\\_resources/pdf/Letter\\_To\\_My\\_Students.pdf](http://www.academicintegrity.org/educational_resources/pdf/Letter_To_My_Students.pdf)>

- F. Classroom Etiquette - Cell phones and pagers must be turned off during class and may not be used during exams. Please show respect to your fellow students and the instructor by arriving on time and being prepared for class.

## VII. COURSE EVALUATION

- A. Grading Scale:      630 to 700 pts = A  
                                 560 to 629 pts = B  
                                 490 to 559 pts = C  
                                 420 to 489 pts = D  
                                 <420 pts = F

- B. Means of Evaluation:

5 Examinations	400 points
Time Value of Money Project	125 points
Analysis Paper/Presentation	100 points
Attendance & Participation	<u>75 points</u>
TOTAL	700 points

There will be 5 exams during this class. Exam 1 will cover chapters 1 & 2, Exam 2 will cover chapters 3 & 4, Exam 3 will cover chapters 5 & 6, Exam 4 will cover chapters 7 & 8, and Exam 5 will cover chapters 9, 10, & 11. Details on exam format will be discussed in class.

VIII. COURSE OUTLINE: This schedule is tentative. Changes from the listed schedule will be announced during class. Students who miss class are responsible for any announced changes.

Week	Chapters	Topics
1 June 11	1 & 2	Finance careers, role of finance in a firm, agency relationships, intrinsic value Time value of money, FV & PV of lump sum, annuity, or uneven cash flow stream, effective annual rate, periodic rate, amortization
2 June 18	2 & 3 <b>Exam 1</b>	Time value of money problems, balance sheet, income statement, statement of retained earnings, statement of cash flows, sources and uses of cash, NOPAT, Calculation of cash flow (NCF, OCF, FCF), and Federal income taxes
3 June 25	3 & 4	Financial statement analysis, ratio analysis, ROE, DuPont Equation, Problems from Chapters 3 & 4.
4 July 2	<b>Exam 2</b> 5 & 6	Types & importance of financial markets & institutions, nominal & real interest rates. IP, DRP, LP, MRP, term structure of interest rates, yield curves, problems.
5 July 9	6 & 7	Bond characteristics & terms, calls, valuation, YTM, CY, CGY, interest rate & reinvestment risk, and problems. <b>PROJECT DUE</b>
6 July 16	<b>Exam 3</b> 7 & 8	Risk & return, stand-alone and portfolio risk, probability distributions, standard deviation, CV, portfolio return & risk, correlation, CAPM, beta, SML, MRP, risk aversion, and problems.
7 July 23	8 & 9	Common stock attributes, stock price, dividend growth model, market equilibrium, Ch 9 problems.
8 July 30	<b>Exam 4</b> 9 & 10	Capital components & cost of each, WACC, Payback, Discounted payback, NPR, IRR, capital budgeting problems.
9 August 6	10 & 11	Finish problems from chapters 10 & 11, Class Review.
10 August 13	<b>Exam 5</b>	<b>FIRM ANALYSIS PAPERS DUE/PRESENTATIONS</b>

IX. AMERICANS WITH DISABILITIES ACT (ADA)

Benedictine University, in partnership with Springfield College in Illinois, provides individuals with disabilities reasonable accommodations to participate in educational programs, activities, and services. Students with disabilities requiring accommodations to participate in college-sponsored programs, activities, and services or to meet course requirements should contact the Director of the Resource Center as early as possible.

X. ASSESSMENT: CLASSROOM ASSESSMENT TECHNIQUES

Goals and objectives that will be assessed in the class are stated in this syllabus. Instructor will use Muddiest Point, Directed Paraphrasing, Minute Papers and/or other Classroom Assessment Techniques as deemed necessary in order to provide continuous improvement of instruction. Students are required to take part in all assessment measures.

ASSIGNMENT FOR WEDNESDAY, JUNE 11, 2008

1. Read Chapters 1 & 2. Please be prepared to discuss these chapters in class.
2. Obtain the use of a financial calculator (see syllabus for details).
3. Spend time becoming familiar with the financial functions of the calculator.