

Fall 2017 Course Syllabus

Course Number: BA-140

Course Title: Fundamentals of Finance

Credit: 3 Units (45 hours of lecture)

Days and Time: Mon 9:00am to 11:45am

Office hours: Mon & Wed 11:45am to 12:30pm or by appointment

Instructor: Prof. Albert Loh

Course Materials

Textbook: Fundamentals of Financial Management, by Brigham & Houston, 9th edition Concise (January 2016). ISBN-10: 1305635930; ISBN-13: 978-1305635937.

Tools: A handheld calculator HP10bII is required. **Mobile device calculator will not be allowed.**

Supplemental materials (such as periodical, article, or case study) will be provided in class.

Course Description

Introduction to the financial management of a company. The course includes the study of the financial system, source of funds, different sectors of the economy affecting the business organization and adjustments to changes in capital structure, use of financial statements, planning, and forecasting. (3 units) *Prerequisite: BA 45 Statistics.*

Learning Objectives

The objectives of the course are to study the finance function of a business firm and to introduce the theoretical framework and analytical tools and techniques of financial management to help make appropriate financial decisions. Students will learn about fundamental issues of business finance and key analytic tools used in the real business world. The main topics covered include, but are not limited to, (1) cost of capital and capital budgeting techniques, (2) asset valuation and the trade-off between risk and return, (3) capital markets, and (4) the financing decisions of the firm.

Course Learning Outcomes and Assessment:

Course learning outcomes	Assessment activities
Application and analysis of concepts, theories, and tools used in financial decision-making.	Assessed by closed-book examination.
Analysis of financial statements for performance evaluation, including ratio analysis.	Demonstrate the ability to explain stock research reports and financials found in Yahoo Finance, MarketWatch, and other related websites and assessed by closed-book examination.
An understanding of time value of money related to security pricing, capital budgeting, and the associated cost of capital and capital structure.	Assessed by closed-book examination.
Study of various working capital management techniques and dividend policies.	Assessed by closed-book examination.
Hands-on experience in the use and application of financial tools.	Assessed by use of financial calculator for various financial calculations.

Instructional Methodology

The course will be conducted in the form of lectures and discussions on each topic shown in the class schedule below.

Course Requirements and Evaluation

The class will not begin until all mobile devices are removed and kept away from the student's desk.

While in class, students are expected to conduct themselves in a professional manner. Professionalism includes regular attendance, participation in class discussions, civil conduct, and ethical behavior, etc. If a student is observed coming to class late often, being disrespectful to peers, texting or using mobile devices,

or carrying on personal conversations during lecture, the professionalism portion of the grade will be reduced based on a demerit system. The course begins with each student having the full 50 points. Any absence after the last day to drop a class and/or tardiness without valid reasons greater than 3 times will result in 5 points deduction, respectively. Behavioral offenses such as texting, using of mobile devices, or engaging in disorderly conduct in spite of reminder or warning will result in 10 points deduction.

Homework assignment: Every student needs to read the PowerPoint Slides according to the syllabus timetable in preparation for the upcoming class session.

Higher education is about learning how to learn. So in acquiring new knowledge, always pay attention to the learning objectives of each chapter or topic. In addition, you will enhance your understanding by solving the chapter problems to be assigned in class. Of course, you are welcome to bring questions to class for discussion by reading ahead of each classroom lecture. Achievement is assured when done repetitively.

Your performance in this course will be evaluated under the following model:

Mid-Exam 150 points	A = 321 - 400
Final Exam 200 points	B = 261 - 320
Professionalism: 50 points	C = 201 - 260
Total 400 points	D = 161 - 200
	F = < 160

The mid-term and final exams include open-ended, multiple choice, or both types of questions and problems that are similar to the term assignments. They are designed to test both theory and problem solving. There will be no “mark-up credit” or “extra credit” work during and after the semester. The instructor reserves the right to modify the grading system based on class performance and notification to the students about any change during the semester. You are responsible to keep apprised of any change in syllabus. If you plan to be sick on exam days, please do the exam a day earlier before getting sick.

The key to success in this course is communication and interaction. Thus, we will have to work as a team. First, we will create a positive learning environment where everyone can participate without fear. Second, relevant reading and problem assignments will be presented and discussed in class. When in doubt, ask.

Scholastic Dishonesty

Scholastic dishonesty will not be tolerated. Students who violate rules of academic dishonesty are subject to disciplinary penalties, including failure in the course and/or other actions from the University.

Tentative Class Schedule

Date	Topics
Aug 21	Course Introduction, Chapters 1 & 2: Financial Management & Markets and Instruments
Aug 28	Chapters 3 & 4: Financial Statement Analysis (Project: TCM Company Research Report)
Sept 11	Chapter 6: Interest Rate
Sept 18	Chapter 8: Risk & Return
Sep 25	Chapters 5: Time Value of Money (HP 10bII calculator)
Oct 2	Chapter 7: Bonds
Oct 9	Chapter 9: Stocks
Oct 16	2-hour Mid-term Exam (Closed Books)
Oct 23	Exam results review & Chapter 10: Cost of Capital
Oct 30	Chapter 13: Capital Structure
Nov 6	Chapter 11 & 12: Capital Budgeting & Cash Flow
Nov 13	Chapter 14: Dividend Policy and Share Repurchases
Nov 20	Special Project Day – Apple Corporation
Nov 27	Chapter 15: Working Capital Management
Dec 4	Supplemental: Options, Preferred Stock, Warrants and Convertible

Dec 11	2-hour Final Exam (Closed Books)
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Addendum: Supplemental Course Materials

The PowerPoint slides are designed to give students a head start in learning course materials in a concise and coherent fashion. They are not intended to substitute, but complement, the textbook and classroom lectures. Don't just read; you need to absorb and understand the body of knowledge through a synthesis of critical thinking and problem solving skills. Thus attending classroom lectures and completing exercises and assignments are critical to your success.

Syllabus reviewed: Aug 1, 2017

Appendix. Program and Institutional Learning Outcomes.

Institutional Learning Outcomes (ILOs)	
<i>Graduates of the BA program of Lincoln University should be able to:</i>	
1a	Develop the habits and skills necessary for processing information based on intellectual commitment, and using these skills to guide behavior.
2a	Raise important questions and problems, and formulate them clearly and precisely in oral or written communication
3a	Act with dignity and follow the principles concerning the quality of life of all people, recognizing an obligation to protect fundamental human rights and to respect the diversity of all cultures.
4a	Focus on individual and organizational benefits; communicate to co-workers and company's leadership in facilitation of collaborative environment; to be honest and transparent with regard to their work, and to be respectful of the work of others.
5a	Display sincerity and integrity in all their actions, which should be based on reason and moral principles; to inspire others by showing mental and spiritual endurance
6a	Show creativity by thinking of new and better goals, ideas, and solutions to problems; to be resourceful problem solvers.
7a	Define and explain the boundaries, divisions, styles and practices of the field, and define and properly use the principal terms in the field

Program Level Outcomes (PLOs)	
<i>Students graduating our BA program will be able to:</i>	
1	Demonstrate knowledge in the principle areas of general business and specific areas of concentration, which include: general business, management, entrepreneurship, and management information business.
2	Determine the information needed to evaluate a business problem. Apply critical thinking and reasoning skills to recognize credibility and accuracy.
3	Demonstrate the ability to communicate with others using written and oral communication tools.
4	Demonstrate the ability to use analytical skills to understand business problems and make well-informed decisions.
5	Apply and comply with ethical and legal principles and evaluate different ethical perspectives.