

**Introduction to Finance - FIN 304-02E  
Fall 2012**

**Professor: Ajamu Loving**

**Office:** online

**Class Time:** M W 12:30-1:45

**Place:** BA 256

**Office Hours:** online appt

**Phone:** 903.886.5674

**E-mail:** [ajamu\\_loving@tamu-commerce.edu](mailto:ajamu_loving@tamu-commerce.edu)

**REQUIRED TEXTS/MATERIALS:**

Fundamentals of Financial Management, Concise 5<sup>th</sup>, 6<sup>th</sup> or 7<sup>th</sup> edition., by Brigham and Houston (ISBN: 9780538477116) (Compulsory)

Financial Calculator: TI BA-II or comparable (not alpha programmable). I will only be teaching from the BA- II. For free guidebook see:

[http://education.ti.com/guidebooks/financial/baiipluspro/BAIPLUSPROGuidebook\\_EN.pdf](http://education.ti.com/guidebooks/financial/baiipluspro/BAIPLUSPROGuidebook_EN.pdf)

Scantron Sheets. You will need the small green ones (or brown) for every class period as quizzes can occur on any day and will require a scantron. Get lots of these.

**Supplemental texts may be used during the lectures. To be able to pass the quizzes and exams I highly suggest regular class attendance and adequate notes.**

**COURSE DESCRIPTION:**

We will start with a review of accounting. Next, we analyze financial statements in order to identify a firm's strengths and weaknesses. We then move to financial leverage and financial forecasting concepts, as well as theories for managing current assets and current liabilities. The second half of the course is devoted to time value of money concepts and methods companies use to choose acceptable investment projects.

**EXPECTED LEARNING OUTCOMES:**

Upon completion of this course, students should be familiar with the following:

1. Major Forms of Business Organizations (Chapter 1)
2. Shareholder Wealth Maximization (Chapter 1)
3. Calculation of Present Values (Chapter 5)
4. Calculation of future Values (Chapter 5)
5. Basic Accounting Statements (Chapter 3)
6. Ratio Analysis (Chapter 4)
7. Capital Allocation process (Chapter 2)
8. Bonds and their valuation (Chapter 7)
9. Stocks and Their Valuation (Chapter 9)
10. Risk and Return (Chapter 8)
11. Cost of Preferred stock (Chapter 9 and 10)
12. Cost of capital (Chapter 10)
13. Capital Budgeting Analysis (chapter 11)

**COURSE OBJECTIVES**

<b>Criteria (Course Objectives)</b>	<b>1 (Unsatisfactory)</b>	<b>2 (Emerging)</b>	<b>3 (Proficient)</b>	<b>4 (Exemplary)</b>
Demonstrate an understanding of the fundamental concepts of corporate finance and its principles and methods.	Student cannot demonstrate an understanding any of the fundamental concepts of corporate finance and its principles and methods.	Student can demonstrate some understanding of the fundamental concepts of corporate finance and its principles and methods.	Student can demonstrate understanding of most of the fundamental concepts of corporate finance and its principles and methods.	Student can demonstrate understanding of all of the fundamental concepts of corporate finance and its principles and methods.
Understand and apply valuation techniques of securities, projects and corporations.	Student cannot demonstrate an understanding of any valuation techniques of securities, projects and corporations.	Student can demonstrate an understanding of valuation techniques but none of the application to the projects or corporations.	Student can demonstrate an understanding of valuation techniques and some of the application to the projects or corporations.	Student can demonstrate an understanding of valuation techniques and all of the application to the projects or corporations.
Demonstrate an understanding and show ability to measure financial decisions in a risk/return environment.	Student cannot demonstrate an understanding of these processes or there measurement.	Student can demonstrate an understanding of these processes but not the measurement.	Student can demonstrate an understanding of most of these processes and there measurement.	Student can demonstrate an understanding of all of these processes and there measurement.

**ATTENDANCE/PARTICIPATION:**

Attendance is encouraged, but not required. **Given the difficulty of this material, you will NOT pass this class without regular reading (prior to class), class attendance, and participation.**

**TEACHING PROCEDURES:**

The class will be conducted in a lecture/discussion format. Be prepared to discuss and ask questions about the material assigned for each class period. This will require that you **read the material prior to the class period** during which it will be discussed. Although many of the issues covered in the readings will be discussed in class, all the areas covered in the readings will not be part of class discussion. You are encouraged to participate in class. Participation is based on volunteering for class activities and exhibiting a positive attitude, demonstrated by attentive, courteous, and respectful

behavior at all times. The nature of this course encourages an interactive forum, and everyone has something valuable to contribute. Disruptive or rude behavior will not be tolerated.

### **EXAMS:**

There will be ONE midterm exam and a comprehensive final. You will be responsible for information from class discussion, required readings, and any guest speakers. There will be no “cheat sheets” allowed during the exams unless otherwise noted by the instructor. **No makeup exams will be given** unless for a university allowed excused absence. For an excused absence, the make-up exam will be administered prior to the scheduled exam. If you need to miss an exam for an excused absence let me know in advance so we can make arrangements. **Anyone missing an exam (unexcused) will fail the course.**

### **ASSIGNMENTS/QUIZZES:**

You will receive quizzes during the semester; these quizzes will take place throughout the semester and will count for 20% of your grade. You will need plenty of scantron sheets to take these quizzes and you should be prepared for quizzes on any given class date.

### **PARTICIPATION:**

This course is based on the belief that mastery of the subject matter occurs through taking an active role in the learning process. Students are expected to attend class **regularly** and **punctually**. Lectures will be most beneficial when you complete assigned readings *before* topics are discussed in class. Assignments should be read prior to the appropriate class meeting.

### **GRADING INFORMATION:**

	<b>POINT VALUE</b>	<b>DUE DATE</b>
Quizzes	200	Throughout
Midterm Exam	400	TBA
Final Exam	<u>400</u>	TBA
<b>TOTAL POINTS</b>	<b>1000</b>	

Final Grades will be determined by the following schedule:

A:	900 – 1000 points
B:	800 – 899 points
C:	700 – 799 points
D:	600 – 699 points
F:	0 - 599 points

**Grades of "I" (incomplete) will not be given to students who merely do not come to class, have failed to satisfactorily complete the course, or who beg, bother, or otherwise pester this instructor. Refer to the University's policy regarding incompletes for further information.**

### **ACADEMIC INTEGRITY/PLAGERISM:**

All academic work must meet the standards contained in A Culture of Honesty: Policies and Procedures on Academic Honest. Students are responsible for informing themselves about those standards and for observing the University Honor Code. Plagiarism occurs when a student submits work that is not his or her own. This includes copying from printed materials, websites, or from other people. All students are expected to turn in work that has been completed individually, unless otherwise informed by the instructor. Any assignment containing plagiarized material will automatically be graded as zero.

### **Students with Disabilities:**

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact:

**Office of Student Disability Resources and Services**  
**Texas A&M University-Commerce**

**Gee Library**

**Room 132**

**Phone (903) 886-5150 or (903) 886-5835**

**Fax (903) 468-8148**

[StudentDisabilityServices@tamuc.edu](mailto:StudentDisabilityServices@tamuc.edu)

### **CIVILITY IN THE CLASSROOM:**

Students are expected to assist in maintaining a classroom environment that is conducive to learning. In order to assure that all students have an opportunity to gain from time spent in class, students are prohibited from using cellular phones or beepers, making offensive remarks, chatting, reading newspapers, sleeping, or engaging in any other form of distraction. Inappropriate behavior in the classroom shall result in “minimally” a request to leave class.

### **POLICY ON LATE WORK:**

Late work WILL NOT BE ACCEPTED without a university excused absence as defined by **Texas A&M – Commerce Rules and Procedures 13.99.99.R0.01**. Note: keep a copy of your work - this protects you in the event of questions about missing assignments.

Excused absences include and are limited to:

- **Pre-authorized religious holidays**
- **Participation in a required/authorized university activity**
- **Voting on Election Day**
- **Obligation of student at legal proceedings in fulfilling responsibility as a citizen**
- **Documented death in a student's immediate family**
- **Verified illness – Resulting in Hospitalization or Long-Term Illness**

COURSE: \_\_\_\_\_

INSTRUCTOR: \_\_\_\_\_

NAME: \_\_\_\_\_

I have received, read and understand this syllabus as presented by the instructor and am clear as to the requirements and effort that will be required to succeed in this course.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date