FIN 304
Finance for Decision Makers
Spring (1) - 2012

Professor:  Al Gormus, PhD
E-mail: algormus@gmail.com

COURSE DESCRIPTION: This is an introductory graduate level course, which focuses on an intermediate comprehension of corporate finance. We will start with a review of accounting and financial statement analysis for the identification of a firm’s strengths and weaknesses. Next, our time will be devoted to basic and more advanced topics in time value of money. Later, we will review the important topic of valuation as it relates to stocks and bonds. Lastly, we will thoroughly discuss methods of choosing acceptable investment projects as well as financial leverage and risk analysis from the perspective of growing companies in a sustainable manner.


CALCULATOR: Given that many of the standard financial calculations performed in this course can be easily done with a financial calculator, immediately purchase a financial calculator such as Texas Instruments BAII Plus, Hewlett Packard 10BII or anything you prefer as long as it is a financial calculator. A financial calculator will be advantageous to have not only when you take other business classes, but also when making personal financial decisions throughout your lifetime. I use a BAII Plus.

ClassLive Lectures: I will record a review session for each chapter in ClassLive. It has been my experience that students who read the chapter thoroughly (not skimming through!) and start doing some end-of-chapter question, excel the most as they get the most when they listen to the recorded sessions. Please take notes as you are listening to the recordings, and continue studying afterwards before taking each exam. Always feel free to email me any questions you might have, but please be specific and make references to the text or solutions manual so that I can provide you with the best advice. Study hard, be positive, and never give up!

Course Objectives and Learning Outcomes Assessment: All of the topics covered in the course are covered with a specific course objective in mind. The course objectives for this course are given below which will be created into a learning outcomes assessment rubric (given below the objectives) to measure student performance in the class. The objectives for this course are:
1. Demonstrate an understanding of the fundamental concepts of corporate finance and its principles and methods.
2. Understand and apply valuation techniques of securities, projects and corporations.
3. Demonstrate an understanding and show ability to measure financial decisions in a risk/return environment.

<table>
<thead>
<tr>
<th>Criteria (Course Objectives)</th>
<th>1 (Unsatisfactory)</th>
<th>2 (Emerging)</th>
<th>3 (Proficient)</th>
<th>4 (Exemplary)</th>
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</thead>
<tbody>
<tr>
<td>Demonstrate an understanding of the fundamental concepts of corporate finance and its principles and methods.</td>
<td>Student cannot demonstrate an understanding any of the fundamental concepts of corporate finance and its principles and methods.</td>
<td>Student can demonstrate some understanding of the fundamental concepts of corporate finance and its principles and methods.</td>
<td>Student can demonstrate understanding of all of the fundamental concepts of corporate finance and its principles and methods and analyze issues accordingly.</td>
<td>Student can demonstrate understanding of all of the fundamental concepts of corporate finance and its principles and methods and display an ability to analyze and synthesize accordingly.</td>
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<tr>
<td>Understand and apply valuation techniques of securities, projects and corporations.</td>
<td>Student cannot demonstrate an understanding of any valuation techniques of securities, projects and corporations.</td>
<td>Student can demonstrate an understanding of valuation techniques but none of the application to the projects or corporations.</td>
<td>Student can demonstrate an understanding of valuation techniques and all of the application to the projects or corporations and can analyze issues accordingly.</td>
<td>Student can demonstrate an understanding of valuation techniques and all of the application to the projects or corporations and display an ability to analyze and synthesize accordingly.</td>
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<td>Demonstrate an understanding and show ability to measure financial decisions in a risk/return environment.</td>
<td>Student cannot demonstrate an understanding of these processes or their measurement.</td>
<td>Student can demonstrate an understanding of these processes but not the measurement.</td>
<td>Student can demonstrate an understanding of these processes and their measurement and can analyze issues accordingly.</td>
<td>Student can demonstrate an understanding of all of these processes and their measurement and display an ability to analyze and synthesize accordingly.</td>
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EXAMS AND GRADING

<table>
<thead>
<tr>
<th>Grade Range</th>
<th>Grade</th>
<th>Exam Content</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>90% and above</td>
<td>A</td>
<td>Exam #1: Ch 1,3,4</td>
<td>25%</td>
</tr>
<tr>
<td>80 to 89%</td>
<td>B</td>
<td>Exam #2: Ch 5</td>
<td>25%</td>
</tr>
<tr>
<td>70 to 79%</td>
<td>C</td>
<td>Exam #3: Ch 7,9</td>
<td>25%</td>
</tr>
<tr>
<td>60 to 69%</td>
<td>D</td>
<td>Exam #4: Ch 10,11</td>
<td>25%</td>
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<tr>
<td>Less than 60%</td>
<td>F</td>
<td>Total</td>
<td>100%</td>
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Grades of "I" (incomplete) will not be given to students who 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.

COURSE OUTLINE

Chapter 1: An Overview of Financial Management
Chapter 3: Financial Statements, Cash Flow and Taxes
Chapter 4: Analysis of Financial Statements
EXAM #1: Chapters 1, 3, 4
Chapter 5: Time Value of Money
EXAM #2: Chapter 5
Chapter 7: Bonds and Their Valuation
Chapter 9: Stocks and Their Valuation
EXAM #3: Chapters 7, 9
Chapter 10: The Cost of Capital
Chapter 11: The Basics of Capital Budgeting
EXAM #4: Chapters 10, 11
**TECHNICAL PROBLEMS AND QUESTIONS**

Personal computer problems **do not** excuse the requirement to complete all course work in a timely and satisfactory manner. Each student needs to have a backup method to deal with these inevitable problems. These methods might include the availability of a backup PC at home or work, the temporary use of a computer at a friend's home, the local library, Office Services such as Kinko’s, an Internet cafe, or a bookstore such as Barnes & Noble, etc.

Technical assistance is available 24 hours a day/7 days a week. If you have questions related to eCollege, A&M-Commerce's online course management system, click on "TECHNICAL SUPPORT" on the left side of your course screen. An email box will appear. Fill out this technical support form, click submit, and your questions will be forwarded to the technical support staff. A resolution will be sent to you from the technical support staff via email. If at any time you experience technical problems (e.g., you can't log in to the course, you can't see certain material, etc.) please contact the eCollege HelpDesk, available 24 hours a day, seven days a week. The HelpDesk can be reached by sending an email to helpdesk@online.tamuc.org or by calling 866-656-5511. Additionally, you can click on the "Help" button located at the top of each page for more information.

If you use an Internet Service Provider other than the university, please contact a company representative if you are having difficulty accessing the Internet. Other support questions may be addressed to Computing, Telecommunications, and Information Systems (CTIS). The CTIS help desk is staffed Monday-Friday from 8am–5pm and can be reached at 903-468-6000. The after-hours and weekend emergency phone number is 877-808-1607. When the after-hours support number is dialed, the answering service representative will ask for your name and phone number. The representative will then contact the on-call CTIS technician who should return your call within about 15 minutes.

**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

CLASS ETHICS

You are expected to maintain high standards of integrity and honesty while pursuing your academic goal(s). The university’s statement on academic honesty is found in the Texas A&M University-Commerce Procedures, A13.12, Academic Honesty. Academic dishonesty is defined in the following manner:

"Academic dishonesty includes, but is not limited to, plagiarism (the appropriation or stealing of the ideas or words of another and passing them off as one's own), cheating on exams or other course assignments, collusion (the unauthorized collaboration with others in preparing course assignments), and abuse (destruction, defacing, or removal) of resource material."

Moreover, while taking any of the quizzes or exams in this course, your only outside source of information should be the textbook, your own personal notes, and a financial calculator or a spreadsheet program (i.e. EXCEL) by which to solve financial calculations. You are not allowed to consult with any other reference material or person while taking an exam.

Students found to have committed academic dishonesty will automatically receive a failing grade for the course and face possible expulsion from the university.

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
StudentDisabilityServices@tamuc.edu