

SYLLABUS

FIN 2303 Business Finance

An Online Course offered through the OU Center for Independent and Distance Learning (“CIDL”)

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PURPOSE OF THE COURSE:

1. To learn how to maximize the value of a business to ensure the business owners receive at least a fair return.
2. To understand how to measure and analyze the financial performance for a company.
3. To master the principles of investing in concept, and in using a financial management calculator.
4. To learn how to apply the basic principles of investing to business decisions.
5. To learn how to measure and analyze interest rates and the cost of capital for a company.
6. To become better acquainted with the U.S. financial markets, instruments, and institutions.

COURSE DESCRIPTION: The course presents the major elements of business finance, such as financial statement analysis/evaluation, discounted cash flow calculations, financial asset (bond and stock) valuation, the cost of capital, and capital budgeting (operating asset valuation). After completing this course, the student should be equipped with fundamental financial management knowledge and analytical skills to think like a business owner/investor. One key concept: Business Finance is about ***investing***.

COURSE PREREQUISITES: ACCT 2113 and a declared business major (i.e., whatever the OU course catalog says). Note: OU Finance and Energy Management majors may not be permitted to enroll.

REQUIRED TEXT AND MATERIALS:

1. **Textbook:** Fundamentals of Financial Management-Concise Tenth Edition, 2020 by Brigham and Houston, Publisher: Cengage Learning, ISBN: 978-1-337-90257-1. This text is hardcover, available at OU-area bookstores or the OU Bookstore (Akademos), and the first semester of use is Fall 2019. Textbook supplements or access codes to publisher’s supplements (i.e., MindTap, etc.) are **not** needed for this course section and students should make sure they are not required to pay extra for them with the textbook as a package. Students may use any version of this textbook (e-textbook, loose-leaf, etc.).
2. **Calculator:** You will need a hand-held, non-programmable financial calculator ASAP, such as a Hewlett-Packard-12C or Texas Instruments BAI Plus or Hewlett Packard-10B or private label brand from office supply stores (iPhone/Smartphone app is **not** permitted; students are **not** permitted to use a programmable TI-82, TI-83, TI-84 or comparable calculator). **Note:** Students need to teach themselves how to use their own calculators (see “Financial Calculator Tips” file posted to course website).

INTERNET RESOURCES: Check the <https://canvas.ou.edu/> to access the course website. The Instructor normally posts the course syllabus, course schedule, PowerPoint slides, practice problems files, and end-of-chapter question solutions, etc. to the course website. Note: The Instructor’s Key Points files for each chapter were created originally in PowerPoint format and contain the Instructor’s written comments which can be seen in the Notes Pages view. **In most cases PowerPoint files are posted to the course website in PDF format** due to technology issues. See “Instructor’s Note to Students” file. Watch for occasional emails from the Instructor.

EXAMS AND OTHER PERFORMANCES:

			<u>Scheduled/Due</u>	<u>Chapters Covered*</u>
	<u>Weighted:</u>	<u>Points:</u>		
Discussion Questions (12)	6.00 %	60	See Course Schedule	
Quizzes (12; one for each Chapter)	12.00 %	120	See Course Schedule	
Exam 1	26.50 %	265	See Course Schedule	Instr.Intro, 1, 2, 3, and 4
Exam 2	29.00 %	290	See Course Schedule	5, 6, 7, and 8
Exam 3 Final	26.50 %	265	See Course Schedule	9, 10, 11, and 12
	<u>100.00 %</u>	<u>1,000</u>		

*Including Instructor Supplements.

EXAMS AND OTHER PERFORMANCES: (continued)

Discussion Questions: There are twelve (12) Discussion Questions for students to post meaningful replies for their fellow students and the Instructor to read and to reply. Students' posted replies to each enumerated Discussion Question will be graded from 0% to 100%, and each Discussion Question is weighted 0.50% of the student's course grade. All Discussion Questions thereby represent a total grade weight of 6.00% of the student's total course grade (12 Discussion Questions \times 0.50% = 6.00%). Students need to be careful to post their answers to each Discussion Question by the designated deadline as described in the Course Schedule.

Quizzes: There is a brief Quiz for each of the twelve (12) textbook Chapters covered, and for each Quiz a student may earn from 0% to 100% depending on the number of correct answers provided. Each Quiz is weighted 1.00% of the student's total course grade, for a total grade weight of 12.00% for all Quizzes (12 Quizzes \times 1.00% = 12.00%). The twelve (12) Quizzes must be taken online within the course website and must be completed by the deadline described in the Course Schedule. Students will be permitted 2 hours to complete each Quiz and will be permitted to take each Quiz one time only. Students are permitted to use their textbook, class notes, Instructor PowerPoint with Notes files, and other course materials to help them take their Quizzes at the students' discretion. Students are not permitted to directly or indirectly collaborate with any other student or person while taking any Quiz. **If a student misses the deadline for a Quiz the student will earn a zero for any missed Quiz. It is not administratively feasible to permit students to take a Quiz after the deadline.**

Exams: Exams are generally multiple-choice, closed-book, closed-notes and are not cumulative. **Each student must proactively schedule to take their exams on-site at a CIDL-approved proctored testing facility** with the OU CIDL Office (405-325-1208 or 800-942-5702 or by referencing the CIDL website at <https://pacs.ou.edu/cidl/>) during the designated Exam date(s) as described in the Course Schedule. Students will need a handheld financial calculator, and students may bring one 4" \times 6" Note Page with no notes attached (glued, stapled, taped, etc.), and nothing else. **The 4" \times 6" Note Page may be handwritten or typed/both sides.** Excused absences can be obtained with appropriate justification (official OU event, religious holiday, documented illness/accident, bereavements, etc. with reasonable written notice at the discretion of the Instructor). If you miss an Exam you will receive a zero grade unless you have an excused absence with appropriate written documentation and justification provided to the Instructor in a reasonable time frame. An Exam Study Guide is posted to the course website for each Exam. **Students will be provided 2 hours to take each Exam** as each Exam contains approximately 31 to 34 multiple-choice questions (combination of conceptual and computational; see Exam Study Guides). For each Exam, all questions are equally weighted.

Note: the CIDL Testing Center can provide a blank 8.5" \times 11" scratch sheet.

COURSE EVALUATION AND GRADING:

<u>% Correct</u>	<u>Grade</u>	<u>Grade Points</u>
90% to 100%	A Excellent	4.00
80 to 89	B Good	3.00
70 to 79	C Average	2.00
60 to 69	D Fair	1.00
Below 60%	F Failing	0.00

Reporting of Grades:

Grade updates will be provided regularly in the designated section of the course website with appropriate confidentiality. If and as needed a curve adjustment may be available at the discretion of the Instructor. Note: a curve adjustment is not promised nor can it be earned.

COURSE ORGANIZATION: The course material is presented in three "Units". Each Unit contains four (4) textbook Chapters, several Discussion Questions, a Quiz for each textbook Chapter, and an Exam at the end of each Unit. See Appendix A on page 5 for a visual overview of each Unit.

STUDY QUESTIONS AND ANSWERS: Files containing study questions and their answers created by the Instructor for each chapter are posted to the course website. These study questions and answers files are designed to be very helpful to students to prepare for Quizzes and Exams.

PRACTICE PROBLEMS: Practice problems files are posted to the course website.

TEXTBOOK END-OF-CHAPTER QUESTIONS/PROBLEMS: End-of-Chapter textbook questions and problems can be reviewed and studied by students to facilitate understanding. Solution files are provided on the course website. Appendix B on page 6 contains a brief list of examples of end-of-chapter questions and problems for students to use for non-graded practice only. Note: these textbook end-of-chapter question and problems are to be employed at each student's discretion. There is nothing for students to turn in to be graded.

REASONABLE ACCOMMODATIONS: Any student in this course who has a disability that may prevent him or her from fully demonstrating his or her abilities should contact the CIDL Office or the Instructor personally as soon as possible so we can discuss accommodations necessary to ensure full participation and facilitate your educational opportunities. The University of Oklahoma is committed to providing reasonable accommodation for all students with disabilities. Students with disabilities who require accommodations in this course are requested to speak with the professor as early in the semester as possible. Students with disabilities must be registered with the Disability Resource Center prior to receiving accommodations in this course. The Disability Resource Center is located at 730 College Avenue in the University Community Center, phone (405)325-3852 or TDD only (405)325-4173.

CLASS POLICIES:

1. Reading the assigned textbook chapters, instructor's PowerPoints with Notes files multiple times, and reviewing all study questions and answers, the Quizzes, and the practice problems, can be very helpful.
2. If a student must be absent and misses an Exam, adequate written notice/excuse must be given to the Instructor and absence approved by the Instructor to avoid receiving a zero grade for the missed Exam.
3. Academic integrity: the exams and other graded assignments in this course must reflect the student's own effort without the assistance from others. Any act of academic dishonesty or cheating can be turned over to the university administration for disciplinary actions, and can result in an F for the assignment and possibly for the course.
4. Instructor reserves the right to amend the Syllabus by way of a written Syllabus Amendment if needed.
5. Exams are closed-book, closed-notes. Students may bring one Note Page no larger than 4" × 6" (with no Attachments, hand-written or typed), a handheld calculator, pencils, and nothing else. The CIDL Testing Center can provide students with one (1) 8.5" × 11" blank scratch sheet.
6. Extra Credit work. The Finance Division of the Price College of Business Administration has prohibited the use of any kind of Extra Credit opportunities.
7. Curve adjustments. The Finance Division of the Price College of Business Administration has prohibited the use of any curve adjustment for individually-graded work, except the Instructor is permitted to add a curve adjustment at the end of the semester if and as needed. Any such curve adjustment is considered a gift from the Instructor to students such that no student is entitled to any curve adjustment, and no curve adjustment is hereby explicitly promised. Each Instructor assigned to teach this course is free to adopt his/her own policy regarding the provision of any curve adjustment subject to the Finance Division policy.
8. During Exams, students are not permitted to leave the exam testing room unless there is a reasonable emergency.

COURSE DEVELOPERS: The course content was developed by Alan McIntyre, who teaches courses through the Finance Division of the Price College of Business Administration. The online course is patterned after the in-class version of the OU FIN 2303 Business Finance course taught by Alan McIntyre. The course technology systems are managed by the CIDL. Any technical issues or questions can be addressed to the CIDL Office (405)325-1921 or cidldev@ou.edu or <https://pacs.ou.edu/cidl/>.

SPECIAL NOTICE: The course materials and assessments are practically identical to the in-class version of the course taught by the Instructor. However, **the online learning environment appears to be a more difficult learning environment for most students.** In order to perform well, students need to ensure they make the needed adjustments to excel in the online learning environment.

COURSE SCHEDULE:

A unique Course Schedule document file is posted to the course website for each new semester. The Course Schedule contains more specific dates and deadlines for each named semester.

Generally, however, students can consider the following comments to help them learn the course material.

For a 16-Week Fall or Spring Semester:

1. Cover Unit 1 during Weeks 1, 2, 3, and 4. Exam 1 to be scheduled at the beginning of Week 5. All Discussion Questions for Unit 1 and all Quizzes pertaining to Chapters 1, 2, 3, and 4 should be completed before Exam 1.
2. Cover Unit 2 during Weeks 5, 6, 7, 8, 9, and 10. Exam 2 to be scheduled in the middle of Week 11. All Discussion Questions for Unit 2 and all Quizzes pertaining to Chapters 5, 6, 7, and 8 should be completed before Exam 2.
3. Cover Unit 3 during Weeks 12, 13, 14, 15 and 16. Exam 3 Final to be scheduled during OU Finals Week (after Week 16). All Discussion Questions for Unit 3 and all Quizzes pertaining to Chapters 9, 10, 11, and 12 should be completed before the last day of the semester and Exam 3 Final.

For an 8-Week Summer Semester (approximately 39 non-weekend Business Days):

1. Cover Unit 1 during the first 12 or 13 non-weekend Business Days. Exam 1 to be scheduled on Business Day number 13 or 14 (Week 3). All Discussion Questions for Unit 1 and all Quizzes pertaining to Chapters 1, 2, 3, and 4 should be completed before Exam 1.
2. Cover Unit 2 during Business Days number 15 to Business Day 26 or 27 (Week 6). Exam 2 to be scheduled on Business Day number 28 or 29 (Week 6). All Discussion Questions for Unit 2 and all Quizzes pertaining to Chapters 5, 6, 7, and 8 should be completed before Exam 2.
3. Cover Unit 3 during Business Days number 27 or 28 to Business Day number 38. Exam 3 Final to be scheduled no later than Business Day number 39 (i.e., Week 8, the last day of the semester). All Discussion Questions for Unit 3 and all Quizzes pertaining to Chapters 9, 10, 11 and 12 should be completed before the Exam 3 Final.

About the Instructor: Undergraduate and graduate degrees in Business Administration and Finance earned from the University of Houston. The Instructor works with business owners, leaders and students of business administration to understand, implement and benefit from best practices in business financial management. Instructor is Principal of ACM Services Inc., which provides financial management advisory services to business owners and leaders, and has over 25 years' experience as a business finance practitioner working with privately-owned and larger, publicly-held corporations as well as with professional investors, U.S. and foreign money center commercial banks, and U.S. and foreign investment banks.

Teaching Philosophy: The Instructor believes the following is generally true.

- No one cares what I know unless they know I care about them personally. My goal is to encourage students to increase their capacity to care about other people with respect, patience, kindness, gentleness, fairness, and a good conscience.
- The best learning outcomes can occur in the context of a diversity of people working together to employ verifiable facts and reasonable hypotheses/theories to solve recognized/anticipated problems that contributes to the common good.
- Harder and smarter work usually is the tedious part of learning but is usually required to be the most productive.
- A teacher must be an excellent example of being a hard/smart-working student, motivated by caring for others ethically.

Textbook: Fundamentals of Financial Management-Concise Tenth Edition, 2020, authored by Brigham and Houston, Published by Cengage Learning, ISBN: 978-1-337-90257-1. This text is hardcover, available at OU-area bookstores or MBS-Direct, and the first semester of use is Fall 2019. Textbook supplements or access codes to publisher's supplements (i.e., MindTap, etc.) are **not** needed for this course section and students should make sure they are not required to pay extra for them with the textbook as a package. Students may use any version of the textbook (e-textbook, loose-leaf, etc.).

Here are the Chapters and organization the Instructor intends to employ in this course. (References to "Unit 1", "Unit 2", and "Unit 3" are the Instructor's designations).

Unit 1: Introduction to, and Fundamental Concepts of, Financial Management

Chapter 1: An Overview of Financial Management*

Chapter 2: Financial Markets and Institutions

Chapter 3: Financial Statements, Cash Flow and Taxes

Chapter 4: Analysis of Financial Statements

Exam 1 Study Guide

Exam 1: Chapters 1, 2, 3, and 4 (plus any Supplements)

Unit 2: Investing in Financial Assets

Chapter 5: Time Value of Money

Chapter 6: Interest Rates

Chapter 7: Bonds and Their Valuation

Chapter 8: Risk and Rates of Return

Exam 2 Study Guide

Exam 2: Chapters 5, 6, 7, and 8 (plus any Supplements)

Unit 3: Investing in Stocks and Long-Term Business Projects and Assets

Chapter 9: Stocks and Their Valuation

Chapter 10: The Cost of Capital

Chapter 11: The Basics of Capital Budgeting

Chapter 12: Cash Flow Estimation and Risk Analysis

Exam 3 Final Study Guide

Exam 3 Final: Chapters 9, 10, 11, and 12 (plus any Supplements)

*Note: Chapter 1 includes the Instructor's Introductory PowerPoint file.

Appendix B: Textbook End-Of-Chapter Questions* Page 6 of 7

<u>Textbook Chapter</u>	<u>Self Test Questions</u>	<u>Questions</u>	<u>Problems</u>
Chapter 1	ST-1 abcd;fgh	1-3; 1-5; 1-6; 1-8; 1-10	None
Chapter 2	ST-1 abcd;fghi	2-1; 2-2; 2-3; 2-4; 2-5; 2-6	None
Chapter 3	ST-1 abci ST-2 abcd	3-2; 3-7; 3-8; 3-12	3-14 ab
Chapter 4	ST-1 bcdef	4-1; 4-2; 4-3; 4-8	4-1; 4-2; 4-4; 4-5; 4-10; 4-11; 4-13; 4-19
Chapter 5	ST-1 acdfghi ST-3 ST-4	5-5	5-3; 5-7; 5-8; 5-16; 5-18
Chapter 6	ST-1 abcdefgi	6-1; 6-2; 6-3; 6-5; 6-9	6-5; 6-11
Chapter 7	ST-1 abcdefghi ST-2 abcde	7-3; 7-4; 7-6; 7-8; 7-9	7-3; 7-9
Chapter 8	ST-1 abcdefghijk ST-2 ab (calculate standard deviation for each stock only and not for the portfolio).	None	8-1; 8-2; 8-3; 8-4; 8-6; 8-10
Chapter 9	ST-1 abcdefghijk ST-2	9-1; 9-2	9-1; 9-2; 9-4c; 9-5; 9-8
Chapter 10	ST-1 abcdef ST-2 ab	10-1; 10-3	10-1; 10-2; 10-4; 10-9; 10-10
Chapter 11	ST-1 abcdefgh ST-2 abc (exclude MIRR and Discounted Payback from all Questions and Problems).	11-1; 11-4; 11-9	11-7 abc
Chapter 12	ST-1 ST-2 abcde	12-1; 12-2; 12-4; 12-6	12-1abc; 12-2abc; 12-3; 12-4; 12-8abc

*Note: These are example questions and problems for student's practice only. These are not assigned homework problems to be turned in for a grade. The Instructor's Study Questions and Answers files are more important than the textbook End-of-Chapter questions.

Note: Answers to the Self-Test ("ST") questions are provided in the back of the textbook. Answers to the textbook End-of-Chapter Questions and Problems for each Chapter are provided in files posted to the course website.

Revised May 27, 2019

Course Delivery: Online learning environment through the Canvas learning management system.

OU Academic Integrity Policy:

Students by their enrollment in this course are indicating they will abide by OU's University Academic Integrity Code (see integrity.ou.edu). All work and all grades should result from the student's own work and effort with no direct or indirect collaborations with others. Any incident of academic misconduct will be reported to the OU Academic Integrity Programs Office and appropriately handled. Academic misconduct can result in a student receiving a failing grade or zero grade for an individual assignment, a Quiz, an Exam, or possibly the entire course, as well as his/her official OU records indicating such.

Adjustments for Pregnancy/Childbirth Related Issues: Should a student need modifications or adjustments to the student's documented pregnancy-related or childbirth-related issues, please contact the Instructor as soon as possible to discuss. Generally, modifications will be made where medically necessary and similar in scope to accommodations based on temporary disability. Please see www.ou.edu/content/eoo/faqs/pregnancy-faqs.html for commonly asked questions.

Religious Observance/Holidays: It is the policy of the University of Oklahoma to excuse the absences of students that result from religious observances and to provide without penalty for the rescheduling of examinations and additional required classwork that may fall on religious holidays.

Title IX Resources: For any concerns regarding gender-based discrimination, sexual harassment, sexual misconduct, stalking, or intimate partner violence, the University of Oklahoma offers a variety of resources, including advocates on-call 24/7, counseling services, mutual no-contact orders, scheduling adjustments and disciplinary sanctions against the perpetrator. Please contact the Sexual Misconduct Office (405)325-2215 (8am-5pm, Mondays through Fridays) or OU Advocates (405)615-0013 (24/7) to learn more or to report an incident. Additional information can be found at: <http://www.ou.edu/content/eoo.html>

OU Emergency Preparedness Procedures:

1. When you receive an **OU Alert to shelter-in-place**, please consider the following instructions:
 - a. Depending on the situation **run away, or hide where you are**, under furniture; lock or barricade doors; turn off lights, silence electronic devices; remain quiet and stay vigilant. As a last resort, **fight** to defend yourself.
 - b. **Call** 911 if you have information for the police and it is safe to make a call.
 - c. **Warn** others if possible.
 - d. **Wait** for official notice to resume normal activities.
2. When you receive an **OU Alert that there is danger inside or near the building or fire alarm activates**, please consider the following instructions:
 - a. **Leave** the building — do not use elevators.
 - b. **Know** at least two ways out of the building.
 - c. **Assist** those that may need help.
 - d. **Proceed** to the emergency assembly area for your building.
 - e. **Notify** first responders if anyone is left in the building.
 - f. **Wait** for official notice before attempting to re-enter the building.
3. When you receive an **OU Alert to seek refuge or tornado sirens signal severe weather**, please consider the following instructions:
 - a. **Seek** refuge inside a building and remain there.
 - b. **Look** for severe weather refuge maps by entrances and elevators in OU buildings; or
 - c. **Go** to lowest level of building, interior rooms/ hallways, away from doors & windows.