The University of Akron
College of Business Administration
Course Number 6400:301-001 (3 credits)
Course Name: Principles of Finance

Instructor: Dr. Jill Bisco
Office: CBA 217
Email: jbisco@uakron.edu

Year/Term: 2016/Fall
Phone: 330-972-5436
Office Hours: T Th 10:45 – 11:45 am.

Course Information

Description
The primary objective of this course is to provide you practical, working knowledge of the fundamental tools used in the major decision areas of corporate financial management. Topics to be covered include:

1. An Overview of Corporate Finance
2. Financial Statements, Taxes, and Cash Flows
3. Time Value of Money
4. Bond Valuation
5. Stock valuation
6. Capital Investment Analysis
7. Risk and Return
8. Cost of Capital

Prerequisites
3250:200 or 244; 3450:145; 6200:201; and completed one of the following: 6200:250 or admitted to the College of Engineering with 48 credit hours completed.

Course Overview
This course will provide an introduction to important financial concepts. As such, much of the time will be spent on mathematical computations. This class will be delivered through lectures that focus on the intuition pertaining to the concepts studied and the application of these concepts to actual situations. Examples will be shown in class that will assist students in developing a core understanding of not only what we are doing, but why we are doing it. Students will also complete homework assignments and quizzes online that will further assist them in both learning the material and preparing for exams. It is very important for you to log into Springboard each day to find the latest updates for class. If you are new to Springboard, you can get started by watching the tutorials here.

We will be using Microsoft Excel for the financial calculations and have arranged for the CBA computer lab to provide laptops during class sessions. You may use your own computer if you choose. Note: There may not be enough CBA-provided laptops to provide one to every individual. Courteous sharing of laptop usage with classmates will be greatly appreciated by all.
You may use a financial calculator if you choose; however, I will not provide training on how to use such calculators. If you use a calculator, you will need to have one that offers financial functions (PV, FV, NPV, IRR). If you prefer to use a financial calculator, the Texas Instruments BAII Plus is the dominant financial calculator in the market.

The proposed enrollment for this course is 70-75 students.

**Course Objectives**

Following the course, students should be able to:

1. Explain how a progressive income tax system works.
2. Calculate present value and future value of single amounts, annuities, annuities due, uneven and serial payments.
3. Calculate the net present value and internal rate of return and be able to apply the techniques to financial planning problems.
4. Value a bond using discounted cash flow and explain how interest rates affect bond values.
5. Estimate the value of a stock using discounted cash flow, the Capital Asset Pricing Model (CAPM), and price multiples.
6. Estimate the expected risk and return using the CAPM for securities and portfolios.
7. Identify, measure, and differentiate between types of investment risks including systematic and unsystematic risk, interest-rate risk, liquidity risk, credit risk, inflation risk, operating and financial risk, reinvestment-rate risk, exchange-rate risk, and political risk in a client’s portfolio.
8. Identify, measure, and interpret investment returns including after-tax, holding period return, effective annual rate, annual percentage rate, time- and dollar-weighted returns, geometric and arithmetic returns.

**Required Texts**

Ross, Westerfield, and Jordan, “Fundamentals of Corporate Finance” 11th ed. (McGraw-Hill Publishing). This is purchased on-line and provides electronic access to the textbook and to Connect, the system used to complete the homework and quizzes. Should you desire, once you sign up for the electronic access, you will be able to purchase a loose-leaf print copy for a specified charge.

**Evaluation and Assessment**

**Grading Scale**

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<tr>
<th>% Score</th>
<th>Final Grade</th>
<th>% Score</th>
<th>Final Grade</th>
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<td>A</td>
<td>78-79</td>
<td>C+</td>
</tr>
<tr>
<td>90 – 91</td>
<td>A-</td>
<td>72-77</td>
<td>C</td>
</tr>
<tr>
<td>88-89</td>
<td>B+</td>
<td>70-71</td>
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<td>B-</td>
<td>&lt; 60</td>
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Breakdown of Final Grade

<table>
<thead>
<tr>
<th>Item</th>
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<tr>
<td>Connect Homework</td>
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<tr>
<td>Connect Quizzes</td>
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<tr>
<td>Exam 1</td>
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<tr>
<td>Exam 2</td>
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<tr>
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<tr>
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Assessments

Homework and Quizzes
All homework assignments and quizzes will be administered and graded online using McGraw-Hill’s CONNECT management system. CONNECT PLUS is the CONNECT platform PLUS online access to the electronic version of the text. CONNECT PLUS comes packaged with your hard-copy textbook from the bookstore, or you may purchase the electronic version of the textbook with CONNECT PLUS directly from McGraw-Hill’s website.

All homework and quiz assignments are open at the beginning of the section and you may start these as you feel appropriate. Most will find it beneficial to work these immediately following the lecture associated with the material. Because the assignments are available for an extended period of time, I accept no excuses for missed assignments. It is your responsibility to plan accordingly to get the assignments done by the due date. Note that all dates and times shown for these assignments are Eastern Time.

Please see the Student Registration Information page at the end of this syllabus and the CONNECT Overview and Registration PowerPoint file on Springboard for more information. For administrative ease, please register your account with CONNECT as soon as possible.

In addition, optional LearnSmart assignments will be available for most chapters. These lessons will reinforce the material that you read in the chapter and that is presented in lecture. Although a grade may show in CONNECT, these are NOT GRADED and are provided for your review only.

Exams
There will be two (2) midterm exams and a final exam. Since the material is naturally comprehensive the exams will also be naturally comprehensive to what has previously been covered in the course. Except in extreme situations, there will be no make-up exams given.

An unexcused absence will be treated as a failing grade (0%). Excused absences should be considered an option only under extraordinary circumstances. All requests for an excused absence must be accompanied by appropriate documentation. In the event of an excused absence for any exam, a makeup exam may be permitted. The format of a makeup exam may differ greatly.

You will be permitted to use a calculator and/or Excel for the exam. A formula sheet will be provided to you on the day of the exam (and will be posted in Springboard prior to the exam so you can utilize it for studying). You may not pre-program any functions or notes into either the
calculator or Excel. You will also not have access to the Internet or any other programs during the exam. If caught utilizing anything other than the formula sheet, a clear Excel document, or your calculator will result in a failing grade (0%).

**Instructor Contact and Reply Policy**
The best method to contact me is through e-mail. You can typically expect me to respond to email within 24 hours. Please allow extra time for weekends, holidays, and questions of a non-urgent nature. You can expect me to grade assignments and provide feedback within a few days of the end date for the assignment. For large assignments such as papers or projects, please allow one week for grading. Often, I do not release grades until the due date has ended. So if you submit early, you may need to wait until after the due date to review your grade.

**Special Class Rules**
Please follow these three rules during class:

**No Cell Phones**: Please remember to turn your cell phone off when entering the classroom, and there is to be no texting during class. You get nothing from the class if you are texting through the class.

**No Talking**: If you have a question, please raise your hand and I will call on you to ask your question. Needless talking among students is very distracting to both me and other students sitting around you. Feel free to ask me questions at any time during class.

**Be Courteous**: Arriving late for class, getting up and moving around during class, or leaving early is very distracting to me and other students around you. To minimize such disruptions, please be on time for class and stay for the entire class. In other words, please be courteous to me and your fellow students.

**Attendance Policy**
I will not be taking formal attendance during class. Attendance is expected and highly recommended. The topics we will be covering in this course are often difficult for students to understand, and each topic builds upon previously covered topics. Missing a class could potentially leave you lost throughout the remainder of the semester as we move into more advanced topics that assume you understand all previously covered topics. There is generally a positive correlation between attendance and final grades in this course. Save yourself both time and effort in the long-run by simply coming to class and taking good notes during my lectures.

It is possible that we will have guest speakers present during the semester. Guest speakers will be announced in advance, failure to be in class on these dates will result in a reduction of your quiz grade.

For the on-line portion of the course, logging in without active participation is NOT considered attendance. Examples of active participation might include submitting an assignment, watching a lecture, taking a quiz, or participating in a student-student class discussion. For reporting purposes, your attendance will be recorded as the last time you actively partipated.

**Participation**
Responsible attendance means that you will plan your schedule so that you can meet course participation requirements and manage your time so that you can complete your assignments on
or before the date they are due. The tentative course calendar will be posted in Springboard. If the calendar needs to be changed for any reason during the course, written notice will be provided.

You are expected to participate in this course as follows:

- You must review all course content posted to the Content tab in Springboard unless that content is clearly labeled as optional.
- You must login to this course at least 3 times per week throughout the week to check for new content and new discussion posts. Additional access may be required in order to meet course due dates and to complete all required learning activities.
- You must read all News items posted on the course home page.
- You must read all posts to the course discussion in Springboard. You are responsible for all information posted to the course discussions.
- You are responsible for completing and submitting all assignments to the course drop box before the due date. You are responsible for clearly labeling your papers so I can identify your submission. For example, use your first and last name in the filename along with the assignment number. You are also responsible for submitting files in a format that I am able to open such as .doc, .docx, .pdf, .ppt, .pptx, or .txt. Note that the University provides a Google Apps account to all students, and you can use Google Apps to create files in these file types.
- You are responsible for maintaining copies of your work and verifying that your Dropbox submission has been received. You will receive an email confirmation when you submit assignments. You will be also able to track your submissions in Springboard.
- You are responsible for completing all quizzes and exams before the due date.
- Technical challenges are not an acceptable excuse for missing deadlines. You must ensure that you have access to a working computer at all times. Please do not wait until the deadline to submit assignments. If you do experience any technical issues, please contact ZipSupport and ensure that the issue is tracked through the Footprints ticketing system.

If you have any questions or concerns about any of the assignments or your performance, please contact me immediately. Do not wait until the assignment is due or your performance cannot be rectified.

**Technical Support**

If you have technical questions or require technical assistance, please contact Zip Support:

- **By Phone:** 330-972-6888
- **By Email:** support@uakron.edu.

The Zip Support Help Desk web site can be found here.

Springboard self-help guides can be found here.

**Academic Support: The Writing Lab and eTutoring**
The University of Akron provides both on ground and online help with writing. Refer to the Technical, Academic, and Student Support tab under Course Orientation in the Content section of this course.
Accessibility Statement
Any student who has a disability that substantially limits learning in a higher education setting may contact the Office of Accessibility for information regarding eligibility for reasonable accommodations. The office telephone number is (330) 972-7928 (Voice) or (330) 972-5764 (TDD).

Learning in the Online Environment

Online Learning Commitment Expectations
Online learning (even in conjunction with classroom lectures) is different from fully face-to-face classes. The biggest difference is that you will be responsible for your own time management and organization. This requires discipline and attention to detail. The role of your instructor in an online course is to make the information for learning available to you and your role is to follow through with the structures put in place to help you learn. You must read all directions, follow all calendars, and ask questions when you are unsure of what to do. You need to log into the course and check your university e-mail on a regular basis—daily is best—to ensure that you have the most up-to-date information.

Specific directions for assignments will be posted in Springboard. Rubrics and/or specific grading criteria will also be posted in Springboard. You need to locate and understand all instructions, follow through on all assignments, and stay on track with due dates.

You are also responsible for the technical requirements necessary for your course. This means that if you have computer or connectivity problems you are not guaranteed an extension; you must have backup systems available at all times. The University Library is always available to you, and technical support is only a phone call away.

Etiquette
Online etiquette, sometimes called Netiquette, takes special attention in online learning environments. This course will follow the Netiquette guidelines found under the Netiquette link in the Course Orientation portion in the Content section of this course.

Basic Technology
You must have access to a computer capable of handling Springboard (including uploading papers, streaming listening excerpts, and taking quizzes). Beyond that, there are no special technological requirements for this course. Papers may be submitted in any of the following formats: Microsoft Word, Pages, PDF, Plain Text, or OpenDocument Format.

Withdrawal Policy
- A student may drop a course through the 14th calendar day of a semester or proportionately equivalent dates during summer sessions, intersession and other course terms. A "drop" will not appear on your transcript. The class simply "disappears."
- After the 14th calendar day period, students may withdraw from a course through MyAkron until the 49th calendar day of a semester or proportionally equivalent dates during summer session, intersession, and other course terms. If you withdraw, a "WD" will appear on your
transcript. You should know that a withdrawal may affect your financial aid, eligibility for on-campus employment and eligibility for insurance. Speak with your advisor for details.

- A student who leaves a course without completing the coursework and without going through the withdrawal procedure will be given an "F" in the course.
- You must consult your academic advisor
  - before withdrawing from more than two courses before you have earned 32 credits; and
  - before withdrawing from more than two courses after you have earned 32 credits but before you have earned 64 credits. (This does not count withdrawals that occurred before you earned 32 credits.)
- You may not withdraw from more than four courses before you have earned 64 credits.
- You may not withdraw from the same course more than twice.
- Exceptions may be made for extraordinary non-academic reasons (e.g., medical treatment or convalescence, military service).
- Your advisor can answer specific questions.

Students who withdraw on a regular basis often do not finish their programs and earn degrees. Students who withdraw frequently tend to deplete their financial aid too early. Further, a pattern of withdrawals sends the wrong message to potential employers or to graduate schools. It says, "When the going gets rough, I quit.”

Questions regarding your registration can be addressed by the Office of the Registrar, 330-972-5400. The official University Withdrawal Policy is located here.

Incompletes
Incompletes indicate that the student has completed passing work but that some part of the work is, for good and acceptable reason, not complete at the end of the term. Failure to make up the omitted work satisfactorily by the end of the following term, not including summer sessions, converts the "I" to an "F." When the work is satisfactorily completed within the allotted time the "I" is converted to the grade that the student has earned.

Student Conduct and Community Standards
Students at The University of Akron are an essential part of the academic community, and enjoy substantial freedom within the framework of the educational objectives of the institution. The freedom necessary for learning in a community so rich in diversity, and achieving success toward educational objectives, requires high standards of academic integrity. Academic dishonesty has no place in an institution of advanced learning. The University community is governed by the policies and regulations contained with the Code of Student Conduct available in the Department of Student Conduct and Community Standards, Simmons Hall 302, (330) 972-6380. The University of Akron Code of Student Conduct can be downloaded here.

Plagiarism and Academic Integrity
It is each student's responsibility to know what constitutes academic dishonesty and to seek clarification directly from the instructor if necessary. The University of Akron, University
Libraries web site is an excellent source to help you, the student, understand plagiarism and how to avoid it. Click here to learn more about how to avoid plagiarism.
## Course Calendar / Topic Breakdown

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<tr>
<th>WEEK</th>
<th>DATE</th>
<th>CHAPTER</th>
<th>TOPIC</th>
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<tbody>
<tr>
<td>1</td>
<td>30-Aug</td>
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<td>Course Introduction/Syllabus/CONNECT</td>
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<td></td>
<td>1-Sep</td>
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<td>Introduction to Corporate Finance</td>
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<tr>
<td>2</td>
<td>6-Sep</td>
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<td>Financial Statements, Taxes, and Cash Flows</td>
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<td>8-Sep</td>
<td>2</td>
<td>Financial Statements, Taxes, and Cash Flows</td>
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<tr>
<td>3</td>
<td>13-Sep</td>
<td>5</td>
<td>Introduction to Valuation: The Time Value of Money</td>
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<td>15-Sep</td>
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<td>4</td>
<td>20-Sep</td>
<td>6</td>
<td>Discounted Cash Flow Valuation</td>
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<td>22-Sep</td>
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<td>29-Sep</td>
<td>EXAM 1</td>
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<td>September 29 (Thursday): Chapters 1, 2, 5, &amp; 6</td>
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<td>6</td>
<td>4-Oct</td>
<td>7</td>
<td>Interest Rates and Bond Valuation</td>
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<tr>
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<td>11-Oct</td>
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<td>3-Nov</td>
<td>EXAM 2</td>
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<td>November 3 (Thursday): Chapters 7, 8, &amp; 9</td>
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<td>11</td>
<td>8-Nov</td>
<td>10</td>
<td>Making Capital Investment Decisions</td>
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<td>12</td>
<td>15-Nov</td>
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<td>Some Lessons from Capital Market History</td>
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<td>17-Nov</td>
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<td>24-Nov</td>
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<td>THANKSGIVING (no classes)</td>
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<td>1-Dec</td>
<td>14</td>
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<tr>
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**Note:** The above schedule is intended to serve as a general outline and it is subject to change. Topics are tentative and may need to be modified during the semester.
McGraw-Hill Connect

Student Registration Information

Course
301: Principles of Finance (Fall 2016)

Professor
Jill M. Bisco

Section
301: Sec 002

Registration Dates
08/23/2016 – 12/01/2016

Online Registration Instructions
Go to the following web address and click the "register now" button.

http://connect.mheducation.com/class/j-bisco-fall-2016---section-001

This is a unique address for
301: Sec 001

Having trouble registering?

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