

San José State University

School: College of Business
Department: Accounting & Finance
Course Number: Bus. 170
Title: Fundamentals of Finance
Section: 6
Semester: Fall
Year: 2016

Instructor: Marshall J. Burak
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Office Hours: Tuesday & Thursday 8-9am
Class Days/Time: Sec. 6, TTh 9-10:15am
Classroom: BBC 108
Prerequisites: Lower Division Business Core

Faculty Web Page and MYSJSU Messaging

Copies of the course materials such as the syllabus, major assignment handouts, etc. may be found on my faculty web page accessible through the faculty home page. You are responsible for regularly checking with the messaging system through MySJSU (or other communication system as indicated by the instructor).

Course Description

The finance function and its relationship to other decision-making areas in the firm; the study of theory and techniques in acquisitions and allocation of financial resources from an internal management perspective. Prerequisites: BUS 21 or BUS 122A, ECON 1A, ECON 1B and BUS 90.

Course Goals and Student Learning Objectives

This course provides an introduction to the tools and techniques of financial analysis and planning used by virtually all business firms seeking to survive in a very competitive marketplace. The primary objective of this course is for students to be able to apply these financial tools and techniques to evaluate a firm's financial condition, assess its strengths and weaknesses, and recommend appropriate strategies and actions required to address problems and prepare for future needs.

Course Content Learning Outcomes

Students are expected to learn the tools and techniques of financial analysis and be able to apply them to evaluate corporate financial statements, determine the firm's strengths and weaknesses, analyze investment opportunities and manage the company's cash flow, assets, liabilities, equity and financial performance.

Textbook

Brigham and Houston, Fundamentals of Financial Management, Concise 9th Edition, Thomson/South Western Publishing, 2015 (Required) ISBN# 978-1-305-63593-7

Other Readings

Brigham, Houston and Clark, Study Guide for Fundamentals of Financial Management, Concise 9th Edition, Thomson/South Western Publishing, 2015 (Recommended)

Other equipment / material requirements

Financial Calculator or Laptop with Excel

Classroom Protocol

Students are expected to read the text assignments and attempt the assigned chapter problems in advance of each class meeting.

Dropping and Adding

Students are responsible for understanding the policies and procedures about add/drops, academic renewal, etc. Information on add/drops are available at

<http://www.sjsu.edu/advising/faq/index.htm#add>

Information about late drop is available at

<http://www.sjsu.edu/aars/policies/latedrops/>. Students should be aware of the current deadlines and penalties for adding and dropping classes.

Assignments and Grading Policy

Reading and Problem Assignments

Reading assignments from the text, Fundamentals of Financial Management, provide background concepts and analytical tools essential to understanding and solving assigned problems.

Assigned problems are used primarily for purposes of providing practice in the application of financial analytical tools and techniques to business situations and the development of useful information for consideration in management decision-making. Problem solutions are for teaching and learning purposes only and are not required to be turned in for grading.

Examinations

Examinations and pop quizzes will be designed to test for: 1) knowledge of financial and analytical techniques, and 2) the ability to recognize the appropriate application of these techniques to real or simulated business situations. Pop quizzes are based on homework problems assigned and will be given on an unannounced, random basis.

Basis for Grading

In-Class Pop Quizzes	10%
First Mid-Term Exam	25%
Second Mid-Term Exam	25%
Final Exam	<u>40%</u>
	100%

University Policies

Academic integrity

Students should know the University's Academic Integrity Policy that is available at http://www.sa.sjsu.edu/download/judicial_affairs/Academic_Integrity_Policy_S07-2.pdf

Your own commitment to learning, as evidenced by your enrollment at San Jose State University and the University's integrity policy, require you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The website for Student Conduct and Ethical Development is available at

http://www.sa.sjsu.edu/judicial_affairs/index.html

Instances of academic dishonesty will not be tolerated. Cheating on exams or plagiarism (presenting the work of another as your own, or the use of another person's ideas without giving proper credit) will result in a failing grade and sanctions by the University. For this class, all assignments are to be completed by the individual student unless otherwise

specified. If you would like to include in your assignment any material you have submitted, or plan to submit for another class, please note that SJSU's Academic Policy F06-1 requires approval of instructors.

Campus Policy in Compliance with the American Disabilities Act

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Presidential Directive 97-03 requires that students with disabilities requesting accommodations must register with the DRC (Disability Resource Center) to establish a record of their disability.

Student Technology Resources

Computer labs for student use are available in the Academic Success Center located on the 1st floor of Clark Hall and on the 2nd floor of the Student Union. Additional computer labs may be available in your department/college. Computers are also available in the Martin Luther King Library.

A wide variety of audio-visual equipment is available for student checkout from Media Services located in IRC 112. These items include digital and VHS camcorders, VHS and Beta video players, 16 mm, slide, overhead, DVD, CD, and audiotape players, sound systems, wireless microphones, projection screens and monitors.

Learning Assistance Resource Center

The Learning Assistance Resource Center (LARC) is located in Room 600 in the Student Services Center. It is designed to assist students in the development of their full academic potential and to motivate them to become self-directed learners. The center provides support services, such as skills assessment, individual or group tutorials, subject advising, learning assistance, summer academic preparation and basic skills development. The LARC website is located at

<http://www.sjsu.edu/larc/>

SJSU Writing Center

The SJSU Writing Center is located in Room 126 in Clark Hall. It is staffed by professional instructors and upper-division or graduate-level writing specialists from each of the seven SJSU colleges. Our writing specialists have met a rigorous GPA requirement, and they are well trained to assist all students at all levels within all disciplines to become better writers. The Writing Center website is located at

<http://www.sjsu.edu/writingcenter/>

Peer Mentor Center

The Peer Mentor Center is located on the 1st floor of Clark Hall in the Academic Success Center. The Peer Mentor Center is staffed with Peer Mentors who excel in helping students manage university life, tackling problems that range from academic challenges to interpersonal struggles. On the road to graduation, Peer Mentors are navigators, offering “roadside assistance” to peers who feel a bit lost or simply need help mapping out the locations of campus resources. Peer Mentor services are free and available on a drop –in basis, no reservation required. The Peer Mentor Center website is located at <http://www.sjsu.edu/muse/peermentor/> .

College of Business Policies:

To ensure that every student, current and future, who takes courses in the Boccardo Business Center has the opportunity to experience an environment that is safe, attractive, and otherwise conducive to learning, the College of Business at San José State has established the following policies:

Eating:

Eating and drinking (except water) are prohibited in the Boccardo Business Center. Students with food will be asked to leave the building. Students who disrupt the course by eating and do not leave the building will be referred to the Judicial Affairs Officer of the University.

Cell Phones:

Students will turn their cell phones off or put them on vibrate mode while in class. They will not answer their phones in class. Students whose phones disrupt the course and do not stop when requested by the instructor will be referred to the Judicial Affairs Officer of the University.

Computer Use:

In the classroom, faculty allow students to use computers only for class-related activities. These include activities such as taking notes on the lecture underway, following the lecture on Web-based PowerPoint slides that the instructor has posted, and finding Web sites to which the instructor directs students at the time of the lecture. Students who use their computers for other activities or who abuse the equipment in any way, at a minimum, will be asked to leave the class and will lose participation points for the day, and, at a maximum, will be referred to the Judicial Affairs Officer of the University for disrupting the course. (Such referral can lead to suspension from the University.) Students are urged to report to their instructors computer use that they regard as inappropriate (i.e., used for activities that are not class related).

Academic Honesty:

Faculty will make every reasonable effort to foster honest academic conduct in their courses. They will secure examinations and their answers so that students cannot have prior access to them and proctor examinations to prevent students from copying or exchanging information. They will be on the alert for plagiarism. Faculty will provide additional information, ideally

on the green sheet, about other unacceptable procedures in class work and examinations. Students who are caught cheating will be reported to the Judicial Affairs Officer of the University, as prescribed by Academic Senate Policy S04-12.

Bus. 170 / Fundamentals of Finance, Fall 2016

Course Schedule

List the agenda for the semester including when and where the final exam will be held. Indicate the schedule is subject to change with fair notice and how the notice will be made available.

Week	Date	Topics, Readings, Assignments, Deadlines
1	Thurs., Aug. 25	Part I: Introduction to Financial Management Finance as an Integrating Discipline Text: Chapter 1 Overview of the Financial Function
	Tues., Aug. 30	Financial Markets and Institutions Text: Chapter 2
2	Thurs., Sept. 1	Part II: Fundamental Concepts in Financial Management Financial Statements, Cash Flows & Taxes Text: Chapter 3
	Tues., Sept. 6	Financial Statements, Cash Flows & Taxes (continued)
3	Thurs., Sept. 8	Analysis of Financial Statements Text: Chapter 4
	Tues., Sept. 13	Analysis of Financial Statements (continued)
4	Thurs., Sept. 15	Time Value of Money Text: Chapter 5
	Tues., Sept. 20	Time Value of Money (continued)
5	Thurs., Sept. 22	Part III: Financial Assets Interest Rates Text: Chapter 6
	Tues., Sept. 27	Bonds and Their Valuation Text: Chapter 7
6	Thurs., Sept. 29	Bonds and Their Valuation (continued) Text: Chapter 7
	Tues., Oct. 4	Risk and Rates of Return Text: Chapter 8
7	Thurs., Oct. 6	Risk and Rates of Return (continued)
	Tues., Oct. 11	First Mid-Term Exam (includes chapters 3, 4, 5, 6, 7 & 8)

8	Thurs., Oct. 13 Tues., Oct. 18	Stocks and Their Valuation Stocks and Their Valuation (continued)	Text: Chapter 9
9	Thurs., Oct. 20 Tues., Oct. 25	Part IV Investment in Long-Term Assets: Capital Budgeting The Cost of Capital The Cost of Capital (continued)	Text: Chapter 10
10	Thurs., Oct. 27 Tues., Nov. 1	The Basics of Capital Budgeting The Basics of Capital Budgeting (continued)	Text: Chapter 11
11	Thurs., Nov. 3 Tues., Nov. 8	Cash Flow Estimation and Risk Analysis Cash Flow Estimation and Risk Analysis (continued)	Text: Chapter 12
12	Thurs., Nov. 10 Tues., Nov. 15	Second Mid-Term Exam (Chapters 9, 10, 11 & 12) Part V: Capital Structure and Dividend Policy Capital Structure and Leverage	Text: Chapter 13
13	Thurs., Nov. 17 Tues., Nov. 22	Capital Structure and Leverage (continued) No Class Meeting	
14	Thurs., Nov. 24 Tues., Nov. 29	No Class Meeting (Thanksgiving Break) Part VI: Working Capital Management, Forecasting, and Multinational Finance Distributions to Shareholders Working Capital Management	Text: Chapter 14 Text: Chapter 15
15	Thurs., Dec. 1	Working Capital Management (continued)	

16	Tues., Dec. 6 Thurs., Dec. 8	Financial Planning and Forecasting Text: Chapter 16 Financial Planning and Forecasting (continued)
	To Be Announced BBC 108	Final Exam (All chapters included except chapters 1, 2, 14 & 17)

Chapter Problem Assignments

Chapter 3: 3-1 through 3-9, 3-11, 3-12, 3-13, 3-14, 3-15, 3-16, 3-17

Chapter 4: 4-1 through 4-16, 4-18, 4-19, 4-20, 4-21, 4-22, 4-23, 4-24

Chapter 5: 5-1 through 5-12, 5-14, 5-15, 5-17, 5-18, 5-20, 5-25, 5-26, 5-27, 5-30

Chapter 6: 6-2 through 6-6, 6-9, 6-10, 6-17

Chapter 7: 7-1 through 7-12, 7-15, 7-16, 7-17, 7-18

Chapter 8: 8-1 through 8-7, 8-9, 8-10, 8-12, 8-13, 8-14, 8-15, 8-16, 8-17, 8-20

Chapter 9: 9-1 through 9-10, 9-12, 9-15, 9-17, 9-19, 9-20

Chapter 10: 10-1 through 10-11, 10-13, 10-15, 10-17, 10-18, 10-19

Chapter 11: 11-1 through 11-8, 11-10, 11-12, 11-13, 11-14, 11-17, 11-18, 11-22

Chapter 12: 12-1 through 12-8, 12-10, 12-12, 12-13, 12-14, 12-15, 12-17, 12-18

Chapter 13: 13-1 through 13-9, 13-11, 13-12, 13-13, 13-14

Chapter 14: 14-1 through 14-7

Chapter 15: 15-1 through 15-10

Chapter 16: 16-1 through 16-14