Goals and Objectives: To give a good overview of financial decision making. Included are topics such as time value of money, asset valuation, risk analysis, financial statement analysis, and capital budgeting.

Course Materials:
The required textbook for this course is *Fundamental of Corporate Finance*, 6th edition, Ross, Westerfield, and Jordan © 2003 by The McGraw-Hill Companies, Inc.

Recommended: A financial calculator. Problem solving is much easier with a financial calculator. I recommend the Texas Instrument BAII Plus financial calculator. If you have another financial calculator that you are comfortable with, you may use it, however, I will use the TI BAII Plus for in-class examples.

I will place chapter outlines on my web site. You should bring the relevant outline(s) to class. It will help you follow the class discussion and examples. I will make every attempt to have the outline posted on my website 24 hours prior to class discussion.

Prerequisites:
Accounting 201 and 202 should have been passed prior to enrolling in this course. Also, Economics 202, Economics 203, and Business 230 with a minimum grade of C.

Classroom:
Lectures are designed to clarify and supplement text material. Unless otherwise instructed, you will be held responsible for all reading assignments (even if they are not covered in the lecture) plus all supplementary material.

This is a problem-oriented course. I will use many numerical examples in class to illustrate the concepts. You are expected to read the relevant material and attempt the end-of-chapter problems before each class. Additional problems can be found on the text’s self-study CD-ROM. (For those desiring even more practice problems, I place practice problem sets on my web page). It is very important that you work the relevant problems on a timely basis. Do not put off solving problems until just before the examinations --- it will be too late for you to truly understand the material.
Grading:
Grades will be based on four mid-semester exams, homework scores, and a cumulative final exam. The grade will calculated as follows:

- **Exams:** 90% (the best 4-out-of-5 exam grades will count 22.5% each)
- **Homework:** 10% (the best 10-out-of-11 homework scores)

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<thead>
<tr>
<th>Grade</th>
<th>Weighted Average</th>
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<tbody>
<tr>
<td>A</td>
<td>90-100</td>
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<tr>
<td>B</td>
<td>80-89</td>
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<td>C</td>
<td>70-79</td>
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<td>D</td>
<td>60-69</td>
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<td>F</td>
<td>below 60</td>
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All exams will be closed book/closed notes and will be in a multiple choice and problem solving format. You will be provided with selected formulae during each exam. The list of formulae to be provided will be available on my web-site before each exam.

I will pick up homework 11 times during the year. A page on my website lists the homework assignment for each class day. The best 10-out-of-11 homework scores will count 10% of your total class score. **These homework assignments are due at the beginning of class. Homework assignments will not be accepted after class begins.**

Finally, there will be a comprehensive final exam on Thursday, May 6 at 4:00 p.m.

**There will be no make-up exams. It is your responsibility to attend all exams at the scheduled time.** The exam portion of your grade is calculated on a best 4-out-of-5 basis. If an exam is missed – whether due to an emergency, tragedy, or simply because you are unprepared – then the remaining four test scores will be used to compute your exam portion of the class grade. Please do not ask to be granted an exception. **There are no exceptions to this policy.**

Notes:
It is the responsibility of any student with a disability who requests a reasonable accommodation to contact the Office of Student Disability Services (915-7128). SDC will then contact the instructor through the student by means of an Instructor Notification of Classroom Accommodations form. Please complete the notification procedure within the first two weeks of the course.

Any student caught cheating will be assigned an F in the course. In most cases a statement will also be made to that effect in the student’s record.
2004 Spring Test Schedule

The dates for the exams are as follows:

Exam 1: February 3
Exam 2: February 26
Exam 3: March 30
Exam 4: April 27
Final: 4:00 Thursday, May 6

2004 Course Schedule

The following indicates the chapters in the text that will be covered in this course.

Chapter 1: Introduction to Corporate Finance
Chapter 2: Financial Statements, Taxes, and Cash Flow
Chapter 3: Working with Financial Statements
Chapter 4: Long-Term Financial Planning and Growth
Chapter 19: Short-term Finance and Planning
Chapter 20: Cash and Liquidity Management
Chapter 21: Credit and Inventory Management
Chapter 5: Introduction to Valuation: The Time Value of Money
Chapter 6: Discounted Cash Flow Valuation
Chapter 7: Interest Rates and Bond Valuation
Chapter 8: Stock Valuation
Chapter 15: Cost of Capital
Chapter 9: Net Present Value and Other Investment Criteria
Chapter 10: Making Capital Investment Decisions
Chapter 11: Project Analysis and Evaluation
Chapter 12: Some Lessons from Capital Market History
Chapter 13: Return, Risk, and the Security Market Line
Chapter 16: Raising Capital
Chapter 17: Financial Leverage and Capital Structure

*** I reserve the right to alter the class schedule as circumstances dictate. Changes to the syllabus will be announced in class. Students not attending class are responsible for obtaining this information.