



Dillard College of Business Administration

**FINC 3733.X20
Business Finance
Spring 2025**

Class Hours

Online through D2L (Desire2Learn)

Contact Information

Instructor: Adam Y.C. Lei, Ph.D., CFA
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Office Hours: Monday, 03:30 pm to 04:30 pm,
Tuesday, 01:00 pm to 02:00 pm,
Wednesday, 03:30 pm to 04:30 pm, and by appointment

Course Materials

Required:

- 1) Course Material (available through D2L), and
- 2) *M: Finance*, 6e, by Marcia Cornett, Troy Adair, and John Nofsinger, McGraw-Hill/Irwin. ISBN: 978-1264412754.
[Web Link](#) for students choosing the eBook option (only the textbook is required; we do not need the publisher's Connect access).

Recommended: The Wall Street Journal.

Course Prerequisites

Junior standing or above or consent of the chair, ACCT 2143, and ECON 2433.

Course Description

Introduction to the principles of financial management applied by domestic and international firms. Core topics include financial analysis, time value of money, risk and return, asset valuation, cost of capital and capital budgeting.

Other Requirements

- 1) Each student registered in this course is required to have the access to a modern personal computer, laptop, or other electronic device that is capable of playing video files in the MP4 format, opening PowerPoint files, PDF files, and Excel files, and a webcam with/and a microphone to use the Respondus Lockdown Browser and

Monitor for the course quiz and exams (explained later). A reliable broadband internet connection is also required for downloading the course material and taking the exams. Each student should download his/her own course material for D2L tracking purposes, and no technical problem at a student's end will be considered for grading purposes.

- 2) Each student should have a calculator capable of calculating the time value of money (a financial or scientific calculator will do). A student is expected to be familiar with the functions of his/her own calculator. For further information on the calculator requirement, please refer to the document "Guide to TI BA II Plus Calculator," available on D2L under the content module "Course Information."

Course Objective

A. General Learning Goals:

Upon successful completion of this course, students should:

- 1) Demonstrate problem solving and decision making abilities through the critical analysis, evaluation, and interpretation of business information.
- 2) Demonstrate a competency in speaking and writing for common business scenarios.
- 3) Be able to utilize available technology for common business applications.
- 4) Demonstrate ethical reasoning skills within a business environment.
- 5) Have an understanding of the influence of global and multicultural issues on business activities.

B. Course Specific Learning Goals:

Upon successful completion of this course, students should have developed the understanding of:

- 1) Firm organization and principal-agent relationships.
- 2) Fundamental financial statement analysis.
- 3) Time value of money, asset valuation, and the risk-return relation.
- 4) Cost of capital and capital budgeting.

Grading and Evaluation

Course Grading:

Component	Percentage
Self-Introduction Video	1%
Course Information Quiz	2%
Homework Assignments	10%
Midterm Exam I	21%
Midterm Exam II	21%
Midterm Exam III	21%
Final Exam	21%

Component	Percentage
Participation	3%
Total	<u>100%</u>
Bonus: Course Evaluation	0.5%

Numerical Grade	Meaning	Letter Grade
90 to 100	Excellent	A
80 to 90	Good	B
70 to 80	Satisfactory	C
60 to 70	Passing	D
Below 60	Failing	F

Exam grades will be posted on D2L under Gradebook after each exam. Grade adjustment, if any, will be announced on D2L after an exam is closed. All grades are firm and nonnegotiable. There is no rounding in grades, and there are no bonus points or extra credits other than the specified grade components at the end of semester. To maintain the fairness to the entire class, the same grading criteria will be applied to every student, and no personal reason will be considered for grading purposes. No grade will be disclosed by email or by phone.

Self-Introduction Video:

Each student in this course is required to prepare a self-introduction video, and submit the one single video file through the Dropbox in D2L (to the folder “Self-Introduction Video” under the “Assessments” and then “Assignments” tabs in D2L). In the video, a student should *show his/her full face with proper lighting, state his/her full name and major(s), and make an introduction of oneself. The video should be no less than 10 seconds but no more than 30 seconds in length.* The self-introduction video is worth one point toward the semester grade, and only videos meeting all of the above requirements will earn the full point. Students who cannot meet all of the requirements because of religious or medical reasons should submit a one-page typed and signed statement requesting an exemption of the requirements to the instructor before the video due date specified below. The approval of the request depends on whether the submitted statement provides the necessary and sufficient information justifying the exemption.

*The video is due at 04:30 pm U.S. central time on **January 25, 2025 (Saturday)**. Students can submit the video file as soon as the semester begins, and no late submission will be accepted for any reason. *Students contacting the instructor in attempts to make a late submission of the self-introduction video will lose one point in the participation grade.**

Course Information Quiz:

The course information quiz consists of 10 multiple-choice questions on information contained in this syllabus and the document “Course Map and Instructions,” both available on D2L under the content module “Course Information.” *The quiz is available on D2L under the “Assessments” and then “Tests” tabs from 12:00 am U.S. central time*

on **January 21, 2025 (Tuesday)** to 04:30 pm U.S. central time on **January 25, 2025 (Saturday)**. The quiz has a continuous 60-minute time limit once it starts, and the time limit cannot be interrupted. The quiz can be taken unlimited times before 04:30 pm on **January 25, 2025 (Saturday)**, and the highest score among the attempts will be recorded as the quiz grade. The 04:30 pm quiz deadline applies to any and all students. An unsaved/unsubmitted quiz by the quiz deadline will have a quiz grade of zero. There is no make-up quiz after the quiz ends, and *students contacting the instructor in attempts to do a make-up quiz will lose one point in the participation grade*. This quiz is worth two points toward the semester grade (each quiz question is worth 0.2 point).

Per the University mandate to ensure the integrity of online exams, taking the quiz and exams in this course requires the use of the Respondus Lockdown Browser and Monitor. The Lockdown Browser is available for download through the [University Web Link](#), and it will not allow students to print, copy, go to another website, or access any other application when using the browser. The Lockdown Browser supports Windows and macOS, and it might not work with devices using other systems. Please note that students do not access the quiz or exams through the Lockdown Browser directly. Students need to access the quiz or exams by logging into D2L in a normal browser, navigating to the quiz or exams, and then launching the Lockdown Browser as instructed by the associated webpages. The Respondus Monitor is a fully-automated online proctoring service integrated with the Lockdown Browser. The service flags events and proctoring results by analyzing video and audio recordings of students during an online exam. Each student taking the quiz and exams in this course needs to have a functioning webcam with/and a microphone for the Respondus Monitor, and follows the instructions on the associated webpages.

The unlimited attempts allowed on the quiz are designed for students to iron out any technical issues they may encounter when using the Respondus Lockdown Browser and Monitor. Students needing technical help should contact the [MSU Distance Education Office](#). Students who do not complete the quiz are held accountable and at their own peril that they may later experience technical difficulties when taking the exams in this course.

Homework Assignments:

On the last page of the PowerPoint slides for each covered chapter, there are the assigned end-of-chapter Questions and/or Problems from the textbook. *The homework assignments require students to turn in their hand-written solutions for the assigned Problems (but not for the assigned Questions) for each chapter with the assigned Problems through the Dropbox in D2L.* Of the 12 covered chapters, Chapter 1 and Chapter 12 do not have the assigned end-of-chapter Problems (i.e., they only have the assigned end-of-chapter Questions, of which the solutions do not need to be turned in). The assignment is worth one point toward the semester grade for each of the remaining 10 chapters, and 10 points in total.

The submission of the homework assignment for *each chapter* should be in *one single PDF file* consisting of photos or scanned images of the *hand-written* solutions (the single PDF file could have multiple pages in it). In a submitted file, the solutions to the

assigned problems should be labeled and ordered by their original problem numbers, and the final answer to each problem should be circled or otherwise highlighted. *A submission made in a file format other than PDF or in multiple files will not be accepted by D2L, will not be graded, and will have an assignment grade of zero.* Additionally, please make sure that each of the uploaded files is legible but not exceedingly large in size (by adjusting the photo or scan settings). *No email submission of the assignments will be accepted for any reason. Students emailing the assignments to the instructor will lose one point in the participation grade each time such instance occurs.*

The answers to those assigned end-of-chapter Questions and Problems are also provided in password-protected PDF files (please see the document “Course Map and Instructions,” available on D2L under the content module “Course Information,” for the password). Each student should write his/her own step-by-step solutions to the assigned Problems with no less detail than provided by the answer keys. By default, students turning in the assignment for a chapter will earn the point associated with the chapter. Assignments that are later found by the instructor to be illegible, contain insufficient details, or skip assigned problems will lose the associated points entirely. If two or more students submitted the same *hand-written* solutions for the same assignment, all involved parties will lose the associated point entirely. An assignment that is not *hand-written* will lose the associated point entirely unless the student provides documentation/justification from the Disability Support Services Office in advance.

The assignments are due at 04:30 pm U.S. central time the day before the corresponding Exam opens. For instance, the assignments for Chapter 2 and Chapter 3 are due at 04:30 pm on **February 13, 2025 (Thursday)** before Exam I opens on **February 14, 2024 (Friday)** (please see the end of this syllabus for the assignment due dates). Students can submit an assignment as soon as the corresponding coverage becomes available, and no late assignment will be accepted for any reason. *Students contacting the instructor in attempts to submit a late assignment will lose one point in the participation grade each time such instance occurs.*

Exams:

There will be three midterm exams and one final exam during this semester. The exams are non-comprehensive, but often the coverage of a later chapter would require the knowledge from earlier chapters. *An exam will be available online through D2L from 12:00 am U.S. central time on the exam open date to 04:30 pm U.S. central time on the exam close date (please see the end of this syllabus for the exam dates).* Each of the three midterm exams consists of 30 multiple-choice questions (each question is worth 3.3 points) and has a continuous 90-minute time limit once the exam starts. The final exam consists of 40 multiple-choice questions (each question is worth 2.5 points) and has a continuous 120-minute time limit once the exam starts. The time limits of the exams cannot be interrupted. *In addition, each exam can only be taken once, and it must be saved/submitted by 06:00 pm on the exam close date (i.e., a student wishing to use the entire allowed time for the final exam should start the exam before 04:00 pm on the exam close date).* The 06:00 pm exam deadline applies to any and all students. An unsaved/unsubmitted exam by 06:00 pm on the exam close date will have an exam

grade of zero. To prevent cheating, the exam questions and the order of choices in a question are randomized. Different students may also get different questions of the same difficulty level in each exam. Students are not allowed to capture the exam questions by any means while taking an exam. Collaboration between/among students while taking an exam is considered cheating and is prohibited. For instructions on how to take an online exam through D2L, please refer to the document "Exam Instructions," available on D2L under the content module "Course Information."

The exams must be taken as scheduled, and no student will be exempt from any exam. *There is no make-up exam in this course after the fact, and students missing an exam at the scheduled time without prior consent from the instructor will receive an exam grade of zero for the specific exam.* The D2L record of an exam attempt serves as the official record of whether a student takes the exam as scheduled. Students with valid excuses or authorized absences due to required participation in university-sponsored activities (please see Midwestern State University Undergraduate Catalog for the definition) should make prior arrangements with the instructor to take the exam at an alternative time. A valid excuse for exam purposes is defined as an *unforeseeable, proved, and documented* event that prevents the student from taking the exam as scheduled, and such event is deemed acceptable by the *instructor*. *Personal reasons and technical problems at a student's end will not be considered a valid excuse for a missed or an incomplete exam. Misreading, forgetting, or inattention to the exam dates and time specified in the syllabus will not be considered a valid excuse for a missed exam. No illness-related excuses will be accepted unless a student has a doctor's note or is a hospital inpatient during the scheduled exam time.* In the case of a valid excuse, the instructor must be notified of the excuse *before* the scheduled exam opens and the document justifying the excuse must be turned to the instructor within one week from the exam. A student failing to notify the instructor the excuse before the scheduled exam opens or not providing the document justifying the excuse in time will receive an exam grade of zero for the specific exam.

Please note that taking the exams in this course also requires the use of the Respondus Lockdown Browser and Monitor, as described in the section "Course Information Quiz."

Participation:

A student's participation grade depends on whether the student follows the class rules and instructions as specified in the course documents and/or posted on D2L. A student loses one point in the participation grade for each violation of class rules and instructions. It is a student's responsibility to know the class rules and instructions.

Instructor Drop, Midwestern State University Undergraduate Catalog

An instructor may drop a student any time during the semester for excessive absences, for consistently failing to meet class assignments, for an indifferent attitude, or for disruptive conduct. The instructor must give the student a verbal or written warning prior to dropping the student from the class. An instructor's drop of a student takes precedence over the student-initiated course drop of a later date. The instructor will assign a grade of either WF or F through the first 9 weeks of a long semester, the first 6

weeks of a 10 week summer term, or the 12th class day of a 4 or 5 week summer term consisting of 20 days. After these periods the grade will be an F. The date the instructor drop form is received in the Office of the Registrar is the official drop date.

Students who fail to meet class assignments, show indifferent attitudes, or reveal disruptive conducts will be given warnings each time such instance occurs. Students with more than two warnings will be dropped from this course with a failing semester grade.

Bonus: Course Evaluation:

At the end of each semester/term, the university emails course evaluation links to students, and students in this course earn the course evaluation bonus credit based on an honor system after they complete the evaluation of this course. *Specifically, a quiz item "Course Evaluation," which asks whether a student has completed the evaluation of this course through the course evaluation link emailed by the university, is available on D2L under the "Assessments" and then "Tests" tabs from 12:00 am U.S. central time on **May 4, 2025 (Sunday)** to 04:30 pm U.S. central time on **May 8, 2025 (Thursday)**. A student who has completed the evaluation of this course and answers affirmatively in the quiz would earn the course evaluation credit. The quiz has a continuous 60-minute time limit once it starts, and the time limit cannot be interrupted. The quiz can be answered unlimited times before 04:30 pm on **May 8, 2025 (Thursday)**, but only an affirmative answer will be recorded for the quiz grade. The 04:30 pm quiz deadline applies to any and all students. An unsaved/unsubmitted quiz by the quiz deadline will have a quiz grade of zero. *Please note that students who forgot to do the course evaluation or who did the course evaluation but forgot to complete the quiz will not earn the course evaluation credit. There is no make-up quiz after the quiz ends, and students contacting the instructor in attempts to do a make-up quiz will lose one point in the participation grade.* The course evaluation credit is worth half of one point toward the semester grade.*

Other Course Policies

- 1) Please refer to the document "Course Map and Instructions," available on D2L under the content module "Course Information," first for further guidelines to this course.
- 2) The instructor cannot provide technical supports to a student's hardware/software problems other than making sure that the provided course material is in working order. For problems related to D2L, please check the [MSU Distance Education Website](#) or contact the University through the [Online Problem Reporting System Web Link](#).
- 3) Students have the responsibility to check regularly the course pages on D2L for new postings and course material. New material for the coverage of each exam will be available over time.
- 4) *Redistribution of any course material provided by the instructor in any form outside this class constitutes copyright infringement and is prohibited.*

Academic Integrity

Students shall follow the “Student Honor Creed” in the Midwestern State University Undergraduate Catalog. A student who commits academic dishonesty is subject to conduct sanctions (please refer to the Midwestern State University Student Handbook for the definitions of Academic Dishonesty, Conduct Sanctions, and Academic Misconduct Procedures).

Americans with Disabilities Act

This course follows the university policies and guidelines suggested by the Disability Support Services Office for qualified students. Students are referred to the Midwestern State University Undergraduate Catalog for details.

Campus Carry Policy

Senate Bill 11 passed by the 84th Texas Legislature allows licensed handgun holders to carry concealed handguns on campus, effective August 1, 2016. Areas excluded from concealed carry are appropriately marked, in accordance with state law. For more information regarding campus carry, please refer to the University’s webpage at [Campus Carry Rules/Policies Web Link](#).

Syllabus Change Policy

This syllabus is a guide for this course and is subject to change with advanced notice.

References

Midwestern State University Student Handbook: [Student Handbook Web Link](#)
Midwestern State University Undergraduate Catalog: [Undergraduate Catalog Web Link](#)

Course Content and Outline

I. Introduction

Chapter 1: Introduction to Financial Management

II. Financial Statements

Chapter 2: Reviewing Financial Statements

Chapter 3: Analyzing Financial Statements

III. Time Value of Money

Chapter 4: Time Value of Money 1: Analyzing Single Cash Flows

Chapter 5: Time Value of Money 2: Analyzing Annuity Cash Flows

IV. Valuing of Bonds and Stocks

Chapter 7: Valuing Bonds

Chapter 8: Valuing Stocks

V. Risk and Return

Chapter 9: Characterizing Risk and Return

Chapter 10: Estimating Risk and Return

VI. Capital Budgeting

Chapter 11: Calculating the Cost of Capital

Chapter 12: Estimating Cash Flows on Capital Budgeting Projects

Chapter 13: Weighing Net Present Value and Other Capital Budgeting Criteria

Course Schedule, Due Dates, and Exam Dates

Month	Week	Content and Schedule
1	21-25	Chapter 1
1/2	26-1	Chapter 2
2	2-8	Chapter 3
	9-15	Chapter 1, 2, & 3 Homework due on February 13 (Thursday), 04:30 pm Exam I Open on February 14 (Friday), 12:00 am Exam I Close on February 15 (Saturday), 04:30 pm
	16-22	Chapter 4
2/3	23-1	Chapter 5
3	2-8	Chapter 7
	9-15	Chapter 4, 5, & 7 Homework due on March 13 (Thursday), 04:30 pm Exam II Open on March 14 (Friday), 12:00 am Exam II Close on March 15 (Saturday), 04:30 pm
	16-22	Chapter 8
	23-29	Chapter 9
3/4	30-5	Chapter 10
4	6-12	Chapter 8, 9, & 10 Homework due on April 10 (Thursday), 04:30 pm Exam III Open on April 11 (Friday), 12:00 am Exam III Close on April 12 (Saturday), 04:30 pm
	13-19	Chapter 11
	20-26	Chapter 12
4/5	27-3	Chapter 13
5	4-10	Chapter 11, 12, & 13 Homework due on May 8 (Thursday), 04:30 pm Final Exam Open on May 9 (Friday), 12:00 am Final Exam Close on May 10 (Saturday), 04:30 pm

Self-Introduction Video: January 25 (Saturday), 04:30 pm
Course Information Quiz: January 25 (Saturday), 04:30 pm
Course Evaluation (Quiz): May 8 (Thursday), 04:30 pm

Homework for Exam I Coverage: February 13 (Thursday), 04:30 pm
Homework for Exam II Coverage: March 13 (Thursday), 04:30 pm
Homework for Exam III Coverage: April 10 (Thursday), 04:30 pm
Homework for Final Exam Coverage: May 8 (Thursday), 04:30 pm

Exam I: February 14 (Friday), 12:00 am to February 15 (Saturday), 04:30 pm
Exam II: March 14 (Friday), 12:00 am to March 15 (Saturday), 04:30 pm
Exam III: April 11 (Friday), 12:00 am to April 12 (Saturday), 04:30 pm
Final Exam: May 9 (Friday), 12:00 am to May 10 (Saturday), 04:30 pm