

Business 350 - Principles of Finance
Sec 1 Tuesday -Thursday, 11:00-12:15 CPS 116
University of Wisconsin – Stevens Point
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Office Hours: Tuesday 9:45-11:00; Thursday 9:45-11:00 and 2:00 – 3:30

PLEASE READ THIS SYLLABUS CAREFULLY AND RETAIN IT FOR FUTURE REFERENCE; IT CONTAINS YOUR RESPONSIBILITIES TO SUCCESSFULLY COMPLETE THIS COURSE. THIS SYLLABUS IS SUBJECT TO ANY CHANGES ANNOUNCED IN CLASS OR THROUGH CAMPUS E-MAIL; IT IS YOUR RESPONSIBILITY TO BE AWARE OF ANY CHANGES THAT ARE ANNOUNCED.

SBE Mission Statement

The UW-SP School of Business and Economics educates and inspires students and prepares graduates for success in positions of leadership and responsibility. We serve the students, businesses, economy and people of the greater central Wisconsin region. Our students achieve an understanding of regional opportunities that exist within the global economy.

Evidence of our graduates' level of preparation will be found in their ability to...

- Analyze and solve business and economics problems
- Understand the opportunities and consequences associated with globalization
- Appreciate the importance of behaving professionally and ethically
- Communicate effectively

SBE Program Assurance of Learning Objectives

1. *Students will be able to apply core concepts, models and methods from business, accounting and economics in identifying and solving problems.*

Bus 350 Learning Outcome

Core concepts, models and methods in finance will be used throughout the course:

- financial statement analysis, including an understanding of information contained in the financial statements and ratio analysis
- financial markets, including factors influencing interest rates and stock market performance and the relationship between risk and return
- the time value of money, including concepts and computations
- stocks and bonds, including concepts and valuation techniques
- capital budgeting, including the cost of capital and valuation techniques

- 2a. *Students will be able to identify the regional benefits from a greater presence of local business in global markets.*

Bus 350 Learning Outcome

Factors affecting the U.S. financial markets and the importance of the financial markets in economic development and valuation will be discussed.

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2b. Students will be able to describe the structural changes in the local economy that results from globalization.

Bus 350 Learning Outcome

Factors affecting the U.S. financial markets and the importance of the financial markets in economic development and valuation will be discussed.

3a. Students will be able to appreciate the importance of behaving professional and ethically.

Bus 350 Learning Objective

Corporate governance and the financial and economic crisis are discussed.

3b. Students will be able to work effectively with others in team settings.

Bus 350 Learning Objective - not applicable

4a. Students will be able to craft and present an effective professional oral presentation.

Bus 350 Learning Objective - not applicable

4b. Students will be able to successfully write an effective professional report.

Bus 350 Learning Objective - not applicable

Course Description

The course covers the financial principles applicable to the operation of business units, primarily corporations. It will cover the fundamentals of financial management, financial markets, risk and return, the time value of money, stocks and bonds, cost of capital, and capital budgeting. Prereq: Acct. 210

Required Materials

Textbook:

Brigham, Houston, Fundamentals of Financial Management,
(Concise Ninth Edition)

Financial Calculator:

It is expected that you will know how to use a financial calculator, beginning with chapter 5. You should have a financial calculator capable of doing present value, future value, annuity problems, and internal rate of return calculations. You can either use an actual financial calculator, or download a financial calculator app from itunes or the Google app store.

If you use an actual financial calculator, it does not matter which financial calculator you have. However, you should have the corresponding owner's manual or tutorial. I have tutorials available (they are available for downloading in CANVAS) for the following five calculators:

Hewlett-Packard 10BII

Hewlett-Packard 12C

Hewlett-Packard 17BII

Sharp EL-733A

Texas Instruments BAII Plus

If you decide to use a financial calculator app rather than an actual financial calculator, it is your responsibility to make sure the app you select is appropriate for the homework in this course. (You need a financial calculator, which means it has the ability to do time value of money problems, like present value and future value.)

You will use the financial calculator for homework and exam problems. However, you should also be able to use financial tables to solve homework and exam problems. Financial tables can be downloaded from CANVAS. If your calculator malfunctions during an exam, you should be able (and will be required) to solve the problems using the tables. This would be the only reason that you would use the financial tables. **THE FINANCIAL CALCULATOR WILL BE REQUIRED BEGINNING WITH CHAPTER 5.**

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The textbook and the problems which will be covered provide guidance as to how to use a calculator to solve various financial problems. Note however, since a specific model of calculator or app is not required, **IT IS ULTIMATELY YOUR RESPONSIBILITY TO LEARN HOW TO USE YOUR CALCULATOR OR APP.** If you select one of the above listed calculators, you can download a tutorial for the calculator in CANVAS. (In some cases, there are apps very similar to the calculators.) Financial calculators are similar, but can have their own specific nuances. Students have generally found the tutorials to be useful in learning how to use their calculator and usually find the tutorials to be easier to follow than the owners' manual. The tutorials are concise (generally only 12-15 pages) and are specifically designed to guide you with using your calculator for problems in this course.

Class Format

Given the size of the class, this class is primarily a lecture format. However, we will discuss homework, selected websites, and any student questions. For each chapter, materials will consist of 1) Powerpoint Slides, 2) Chapter Study Guide, and 3) Homework Solutions. For each chapter, I will e-mail the materials via the UWSP class distribution e-mail list. The materials are also available in CANVAS.

The Powerpoint slides are detailed to hopefully provide you with an excellent explanation of the material. I have written the Chapter Study Guides to help your understanding of the material covered in the Powerpoint slides, and provide guidance as to what is important through the Study Questions. You are provided with solutions to the homework to help you work through the homework and minimize any note taking when the homework is discussed in class.

The class will be conducted in the following manner.

- Prior to class, review the Powerpoint slides for the assigned chapters. Previewing the slides will help your understanding of the material when it is discussed in class.
- Read the Chapter Study Guide concurrently with studying the Powerpoint slides for a given chapter. The study guide provides an expanded explanation of the material covered in the slides, and has critical Study Questions relating to the Powerpoint Slides. The purpose of the Study Questions is to provide you with guidance as to what is important, what you need to know, and what you will be tested on.
- Attempt to do the homework prior to its discussion in class.
- Class time will be spent on:
 1. Reviewing Powerpoint slides
 2. Discussing the Study Questions
 3. Going over homework solutions
 4. Visiting relevant websites for additional information and current events

If you study the material prior to it being discussed in class, you will hopefully get more out of class and the material. Do not fall behind in studying the material; you won't catch up.

Assigned homework problems will be discussed but NOT collected. However, if you want to do well on the exams, it is highly recommended that you do the homework.

Exam questions will be based on the Study Questions from each Chapter Study Guide, homework questions and problems, and websites and current events discussed in class.

I believe that you will benefit from attending class. If you choose to attend class, please be respectful towards the class by minimizing talking and turning off your cell phone.

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Your Responsibilities

For this course:

- 1) Read the assigned chapter BEFORE it is discussed in class.
- 2) Study the Powerpoint slides and Chapter Study Guide before the chapter is discussed in class.
- 3) Attempt to do the homework before it is discussed in class.
- 4) Attend class.
- 5) BEFORE EACH EXAM, diligently study the Study Questions from the Chapter Study Guide, homework questions and problems, and any additional material (such as current events and websites) that is discussed in class. Exam questions are taken from this material.
- 6) Take the exams on the designated day and time.

Student Help Resources

The Tutoring and Learning Center helps with Study Skills, Writing, Technology, Math, & Science. The Tutoring and Learning Center is located at 018 Albertson Hall. For more information, call 715 346 3568 or visit: <https://www.uwsp.edu/tlc/Pages/default.aspx>

If you need healthcare, UWSP Student Health Service provides student-centered healthcare that empowers and promotes wellness for all UWSP students. Student Health Service is located on the 1st floor of Delzell Hall. For more information, call 715 346 4646 or visit: <http://www.uwsp.edu/stuhealth/Pages/default.aspx>

The UWSP Counseling Center is staffed with licensed mental health professionals dedicated to assisting students as they navigate difficult circumstances or resolve personal concerns. Therapy and consultation services are free of charge for registered students. The UWSP Counseling Center is located on the 3rd Floor of Delzell Hall. For more information, call 715-346-3553 or visit: <http://www.uwsp.edu/counseling/Pages/default.aspx>

In addition to the support services provided by Student Health Service and the UWSP Counseling, there are also professional support services available to students through the Dean of Students. For more additional information, please go to <http://www.uwsp.edu/dos/Pages/default.aspx>

UWSP is committed to providing reasonable and appropriate accommodations to students with disabilities and temporary impairments. If you have a disability or acquire a condition during the semester where you need assistance, please contact the Disability and Assistive Technology Center on the 6th floor of Albertson Hall (library) as soon as possible. DATC can be reached at 715-346-3365 or DATC@uwsp.edu.

GRADING, EXAMS, PROFESSIONAL POINTER EVENTS

FOUR EXAMS WILL BE GIVEN IN THE COURSE - THREE MID-TERM EXAMS AND A FINAL. IF YOU TAKE ALL THREE MID-TERM EXAMS, TAKING THE FINAL EXAM IS OPTIONAL. THE FINAL EXAM IS CUMULATIVE. YOUR FINAL GRADE WILL BE BASED ON YOUR THREE BEST EXAM SCORES, WITH EACH EXAM COMPRISING 1/3 OF YOUR FINAL GRADE. IF YOU TAKE ALL FOUR EXAMS, THE LOWEST GRADE WILL BE DROPPED.

IF YOU MISS A MID-TERM EXAM FOR ANY REASON, YOU WILL HAVE AN OPPORTUNITY TO TAKE A MAKE-UP EXAM ON THE MAKE-UP EXAM DAY, WHICH IS TUESDAY, DECEMBER 11. THIS IS THE ONLY DAY THAT A MAKE-UP EXAM WILL BE OFFERED FOR MISSING A MID-TERM EXAM. THERE WILL BE MAKE-UP EXAMS AVAILABLE FOR EACH MID-TERM EXAM. YOU MAY TAKE ONLY ONE MAKE-UP EXAM. YOU MAY NOT RETAKE A MID-TERM EXAM; IF YOU DO, IT WON'T COUNT.

IN ADDITION TO THE EXAMS, YOUR ATTENDANCE WILL BE REQUIRED AT TWO PROFESSIONAL POINTER EVENTS. FAILURE TO ATTEND AN EVENT WILL RESULT IN A DEDUCTION OF 1.5 POINTS FROM YOUR FINAL AVERAGE. IN OTHER WORDS, IT IS A REQUIREMENT AND YOU DO NOT RECEIVE POINTS FOR ATTENDING EVENTS. IF YOU DO NOT ATTEND THE REQUIRED 2 EVENTS, YOU WILL LOSE 3 POINTS FROM YOUR FINAL AVERAGE.

FINAL EXAM - IF YOU HAVE TAKEN ALL THREE MID-TERM EXAMS

The final exam offers you an opportunity to improve your average and final grade, but taking the final exam is optional. Your final grade is based on an equal weighting of your three best exam scores. If you take the final exam your lowest mid-term exam score will be dropped if your final exam score is higher than a mid-term exam score. If your final exam score is lower than your mid-term exam scores, it simply doesn't count.

FINAL EXAM - IF YOU MISSED A MID-TERM EXAM

If you missed one mid-term exam, your final grade is based on an equal weighting of three exam scores - in this case, two mid-term exams and the final exam. If you missed two mid-term exams, your final grade is based on a weighted average of your mid-term exam (one-third) and your final exam (two-thirds). You must take at least one mid-term exam to pass the course.

EXAMS ARE OPEN BOOK; OPEN NOTE. YOU MAY USE A FINANCIAL CALCULATOR (ACTUAL OR APP) DURING EACH EXAM. ALL EXAMS WILL BE MULTIPLE CHOICE. YOU WILL HAVE ONE HOUR AND 15 MINUTES TO COMPLETE THE MID-TERM EXAMS; TWO HOURS FOR THE FINAL EXAM.

EXTRA CREDIT IS NOT AVAILABLE FOR THIS COURSE. YOU NEED TO UNDERSTAND THE MATERIAL PRESENTED ON A TIMELY BASIS AND PERFORM WELL ON THE EXAMS IF YOU WANT TO DO WELL IN THE COURSE.

Unless a curve is necessary, the following standard grading scale will be used:

A	90-100%
B	80-89
C	70-79
D	60-69
F	< 60

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Pluses and minuses will be used. For example, 80-82 will be a B-; 83-86 B; and 87-89 B+. If the cumulative class median grade is below 80% based upon the three Mid-term exams, a curve will be used. **A final curve will be computed after the THIRD Mid-term exam, based upon grades received by all Bus 350 students taking all three mid-term exams.** Those scoring above the class median will receive a grade of B- or better. (This means approximately 50% of students will be in the A or B range – approximately the top 20% of students will receive an A or A-.) Pluses and minuses will be used with the curve. **Students copying or supplying answers to others during an exam are subject to academic misconduct. Don't do it.**

Professional Pointer (formerly SBE) Events

Several UWSP departments and programs, including the School of Business & Economics, sponsor **Professional Pointer Events (or Pro Events)**.

Pro Events connect you to:

- *Campus* (e.g., academic coaching, student clubs);
- *Community* (e.g., Rotary, Business Council); and
- *Careers* (e.g., internships, networking).

As an SBE student, you will be able to choose from a wide variety of speakers, workshops and special events. With over 300 events per year on the Pro Events calendar, you will have significant flexibility in selecting your events. Whatever you choose, Pro Events will help you to make the most out of your time as a student and to prepare for transitioning into a successful career.

Visit the Pro Events web site (proevents.uwsp.edu) for announcements of upcoming events. You can also follow us on social media:

- Facebook: [UWSP School of Business & Economics](#)
- Twitter: [@UWSPBusiness](#)

For this course, you must attend two official Pro Events. This is a requirement. One event must be before the mid-semester cut-off of **Fri. Mar. 8**; a second event must be before the end-of-semester cut-off in May. If you go to extra events before the mid-semester cut-off, those credits will carry over into the second half of the semester.

You must attend two Professional Pointer (Pro) events for Bus 350. Failure to attend an event will result in a DEDUCTION of 1.5 points from your final average. (In other words, if you do not attend the required 2 events, you will lose 3 points from your final average.)

Typically, when you attend an event, you will sign in with your Point Card and thereby receive your Events credit. Occasionally, there are events requiring that you take along an Events Attendance form and obtain a signature at the event; events requiring an Events Attendance form will be clearly labeled and the form will be available online.

Attendance at Pro Events will be confirmed with automatic emails to you and updated on the Pro Events web site. Please allow a week for confirmation of attendance at events held outside the SBE, such as Career Services events. If you have a question about Pro Events attendance, please email proevents@uwsp.edu.

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If you have multiple courses or affiliations with Pro Events requirements, it is your responsibility to make sure you have attended enough events for each course/affiliation. If you have not attended enough events to cover all of your requirements, your attendance will be allocated to your courses in alpha-numeric order followed by any other affiliations.

After the mid-semester cut-off and the end of this semester's events, I will receive reports confirming your attendance. You do not need to do anything else.

Chapters, Topics, and Homework Problems

The chapters and homework listed below are tentative and subject to any changes announced in class or through e-mail. It is your responsibility to be aware of any changes that are announced.

Homework

The following list of questions and problems may be revised during the semester. Any changes or revisions will be announced in class. Homework Questions and Problems will NOT be collected; they will be fully discussed in class.

	<u>Questions</u>	<u>Problems</u>
Ch. 1 Intro		
Ch. 2 Financial Markets	3, 4, 5, 8, 9	
Ch. 3 Financial Statements, Cash Flow and Taxes	3, 4, 5, 7, 8	4, 6, 11, 12, 17
Ch. 4 Analysis of Financial Statements	1, 2, 4, 6	23, 24
Ch. 5 Time Value of Money	7	1, 2, 3, 5, 6, 8, 11, 12, 13, 23, 26, 32, 34, 37
Ch. 6 Interest Rates	2, 4, 7, 8, 9, 10	
Ch. 7 Bonds	3, 4, 6, 8, 14	1, 4, 5, 9, 12
Ch. 8 Risk and Rates of Return	5, 8	2, 3, 7, 12, 17
Ch. 9 Stocks		2, 5, 8, 10, 19, 20
Ch. 11 Capital Budgeting	3, 4, 5	1, 2, 4, 7 (NPV, IRR, and Payback), 11

7. TIMETABLE - (TENTATIVE AND SUBJECT TO ANY ANNOUNCED CHANGES)

TIMETABLE - TUESDAY/THURSDAY SECTION 1 (IN-CLASS DAYS ARE BOLD.)

Tuesday	Topics	Thursday	Topics
Jan. 22	Intro	Jan. 24	Ch. 1
Jan. 29	Ch. 3	Jan. 31	Ch. 3
Feb. 5	Taxes	Feb. 7	Ch. 4
Feb. 12	Ch. 4	Feb. 14	Study Day
Feb. 19	Ch. 2	Feb. 21	Ch. 2/Review
Feb. 26	Exam 1	Feb. 28	Ch. 5
March 5	Ch. 5	March 7	Ch. 6
March 12	Ch. 6/7	March 14	Study Day
March 19	SPRING BREAK	March 21	SPRING BREAK
March 26	Ch. 7	March 28	Ch. 7/Review
Apr. 2	Exam 2	Apr. 4	Ch. 8
Apr. 9	Ch. 8	Apr. 11	Ch. 9
Apr. 16	Ch. 9	Apr. 18	Study Day
Apr. 23	Ch. 11	Apr. 25	Ch. 11/Review
Apr. 30	Exam 3	May 2	Review
May 7	Make-up Exam Day	May 9	Study Day

FINAL EXAM

5/15/2019, Wednesday

8:00AM - 10:00AM CPS116