

**Business 350 - Principles of Finance**  
**Monday/Wednesday 18:30–19:45 – CPS 310**  
**University of Wisconsin – Stevens Point**  
**Fall, 2017**

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**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.

*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 – there is a required team project

*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 – a team project with a report is required.

### 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 Eighth Edition). I expect you to bring the textbook to class every day.**

Financial Calculator: You must have and know how to use a financial calculator, beginning with chapter 5. You should have a financial calculator capable of doing present value, future value, and internal rate of return calculations. It does not matter which financial calculator you have; however, you should have or download the corresponding owner's manual or tutorial. Tutorials can be found on the internet. The following calculators have been typically used for this class.

Hewlett-Packard 10BII

Hewlett-Packard 12C

Hewlett-Packard 17BII

Sharp EL-733A

Texas Instruments BAII Plus

You will need use the financial calculator for individual homework problems and exam problems. **THE FINANCIAL CALCULATOR WILL BE REQUIRED BEGINNING WITH CHAPTER 5.** Prior to Chapter 5, any calculator will do.

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 is not required,

### **YOU ARE RESPONSIBLE FOR LEARNING HOW TO USE YOUR CALCULATOR.**

As a result, you should have or download either the owner's manual or calculator's tutorial. 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**

This class will be taught in a face-to-face format. For each chapter, materials will consist of 1) PowerPoint Slides, 2) Chapter Study Guide, and 3) Homework Solutions. I also generate my own class materials. I also will post past exams on D2L. All materials will be available in D2L.

To succeed in this class, you must study materials (PowerPoint slides, Chapter Study Guide, and Homework, my notes) *prior* to the discussion of the relevant chapter in class. The PowerPoint slides and study guides are very detailed to provide you with an explanation of the material. The Chapter Study Guides will help your understanding of the material covered in the PowerPoint slides, and provide guidance as to what is important through the Study Questions. I will provide the solutions to the homework to help you work review the homework.

The class will be conducted in the following manner.

- Prior to class, your responsibilities are to
  - Read the Chapter in the Book and the Chapter Study Guide. 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.
  - Study the PowerPoint slides for the assigned chapters.
  - Complete the assigned reading
  - Attempt to do the individual homework problems prior to its discussion in class.
- I will lecture about a particular topic and present in-class problems reviewing the materials presented.
- We will then break into randomly-selected groups for you to do the in-class problems. I will choose a member of your group to present your group's solution.
- Class time will be spent on:
  1. Reviewing PowerPoint slides
  2. Discussing the Study Questions
  3. Going over individual homework solutions
  4. Reviewing in-class problems
  5. Visiting relevant websites for additional information and current events

In class, I will review the PowerPoint slides with an expectation that you have read the Chapter Study Guide and reviewed the slides. By being familiar with the material prior to it being discussed in class,

you will get more out of class and the material. In addition, our review of the slides will be quicker and more efficient based on the expectation that you have already looked at the material prior to class.

**Do not fall behind in studying the material; you won't catch up.**

Individual homework problems are collected from randomly selected students will add to your exam grade. Other than those collected at the beginning of the class, assigned individual 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 individual homework AND do additional end-of-chapter chapter problems.

**The more end-of-chapter problems you do, the better you'll do in this class.**

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

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) Do the homework before it is discussed in class. If you have questions about the homework, don't hesitate to email me or stop by my office.
- 4) Attend class.
- 5) BEFORE EACH EXAM, diligently study the Study Questions from the Chapter Study Guide, homework questions and problems, and any additional materials (such as current events and websites) discussed in class. Exam questions are from this material. I have been known to select a homework problem for the exam.
- 6) Take the exams on the designated day and time.

**Do not cram for the exams. It is not an efficient way to study and you will not do well.**

**Attendance**

You are required to attend class. I will be taking attendance. Please be respectful towards others in class by minimizing talking and turning off your cell phone. You are allowed two absences. If you miss more than two class sessions, your grade will be reduced by 2.5% per class session missed.

**SBE Events**

The School of Business & Economics has an exciting series of speakers, discussions, workshops and field trips called **SBE Events**. It is important to take advantage of these learning opportunities outside the classroom. The events are designed to help you make the most out of your time as a student and to prepare for a successful career.

For this course, you must attend **two** official SBE Events. One event must be before the mid-semester cut-off of **Oct. 20**; a second event must be before the end-of-semester cut-off (Dec. 15). If you go to extra events before Oct. 20, those credits will carry over into the second half of the semester. Attendance at each event will count for 2.5 points towards your final grade.

Visit the SBE Events web site (<http://business.uwsp.edu/events>) for announcements of upcoming SBE Events. You can also follow us on social media:

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

When you attend an event, it is your responsibility to sign in with your Point Card. Attendance at SBE Events will be confirmed with automatic emails to you and updated on the SBE 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 multiple courses with SBE Events requirements, it is your responsibility to make sure you have attended enough events for each course. If you have not attended enough events to cover all of your courses, your attendance will be allocated to your courses in alpha-numeric order.

After Oct. 20 and the end of this semester's events, I will receive reports confirming your attendance. You do not need to do anything else. There is a new "Create Your Own Event" option, which allows students to earn Events credit for meetings with Financial Coaches, Academic Coaches and Career Advisors. Details at: <http://www.uwsp.edu/busecon/Pages/Academics/SBEEvents.aspx>.

**ADA Statement:** If you feel you may need an accommodation or special services for this class, please see me or call the Disability Service Office at 346-3365.

**Academic Misconduct:** Any student caught cheating or assisting another student to cheat or allowing another student to cheat will be removed from the class and will fail. Academic Misconduct is defined as violating provisions of Chapter UWSP 14, Rules of the Board of Regents of the University of Wisconsin System, Wisconsin Administrative Code: <http://www.uwsp.edu/dos/Documents/CommunityRights.pdf#page=11>

**Student Rights and Responsibilities:** For further information on your rights and responsibilities, please refer to this information in the UWSP University Handbook by clicking on the following: <http://www.uwsp.edu/dos/Documents/CommunityRights.pdf>

**Safety Statement:** I will immediately notify the authorities about any student who threatens or perpetrates psychological or physical harm to any person (including the student himself or herself).

### **GRADING, EXAMS, SBE EVENTS**

**Three exams will be given in the course: two mid-term exams and a final. Each mid-term exam will be worth 20% of your grade. The final will be worth 40% of your grade and will be comprehensive. A final team project is due on the last day of class. It will cover all of the information covered in class.**

**If you miss a mid-term, the weight of the mid-term will be added to the final. If you miss more than one midterm, I will add the weight of the first missed midterm and forecast your grade on the latter mid-term(s) based on your total performance on the midterms.**

Missing the final exam will result in a final exam grade of zero.

**There are no makeup exams given.**

Each exam will contain a current events question, which will represent 5% of each exam. All exams will be given on their scheduled dates unless the entire class is notified otherwise.

**NO CELL PHONES ALLOWED DURING EXAMS. USE OF A CELL PHONE DURING AN EXAM WILL CONSTITUTE ACADEMIC MISCONDUCT.**

**EXAMS ARE OPEN BOOK; OPEN NOTE. YOU MAY USE A FINANCIAL CALCULATOR DURING EACH EXAM. YOU MAY ALSO USE PUBLICATIONS OR NOTES FOR THE CURRENT EVENTS QUESTIONS.**

**EACH EXAM WILL HAVE TRUE/FALSE QUESTIONS, PROBLEMS AND CURRENT EVENTS QUESTIONS. YOU WILL HAVE ONE HOUR AND 15 MINUTES TO COMPLETE THE MID-TERM EXAMS; TWO HOURS FOR THE FINAL EXAM.**

**THERE WILL BE EXAMS FROM PREVIOUS YEAR(S) POSTED ON D2L. I STRONGLY ADVISE YOU TO REVIEW THEM AS PART OF YOUR STUDYING FOR THE EXAM.**

**OTHER THAN INDIVIDUAL HOMEWORK ASSIGNMENTS AND POP QUIZZES, 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 AND CASE IF YOU WANT TO DO WELL IN THE COURSE.**

**Grading:** You will receive the higher grade calculated using the following two methods:

<b>Method 1:</b>	95-100%	A
	90-94%	A-
	87-89%	B+
	83-86%	B
	80-82%	B-
	77-79%	C+
	73-76%	C
	70-72%	C-
	67-69%	D+
	60-66%	D
	Below 60%	F

**Method 2:** Your final percentage score divided by the median score multiplied by 80%, and ranked on the above scale. For example, if your final percentage is 70%, and the class median percentage is 60%, then your curved percentage would be  $(70/60)*80$ , or  $93\frac{1}{3}\%$ , and you would receive an A-.

**Students copying or supplying answers to others either during an exam or for individual homework assignments are subject to academic misconduct charges. Don't do it.**

### **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.**

### **Individual Homework**

The following list of questions and problems may be revised during the semester. Any changes or revisions will be announced in class.

**You are expected to do this work individually.**

Randomly selected students will be asked to turn in their homework questions and problems; I will add the score as extra credit on the final grade for those students selected who turn in their homework. Otherwise, homework will NOT be collected; they will be discussed in class and the answer key will be posted on D2L.

<b>Chapters</b>	<b>Topics</b>	<b>Questions</b>	<b>Problems</b>
Chap. 1	Intro		
Chap. 2	Financial Markets	3, 4, 5, 8, 9	
Chap. 3	Financial Statements, Cash Flow and Taxes	3, 4, 5, 7, 8	4, 6, 8, 10, 11, 16, 17 a, c & d
Chap. 4	Analysis of Financial Statements	1, 2, 4, 6	19, 22, 23, 24,
Handout	Economic basis for time value of money	Review handout	Do problems in handout
Chap. 5	Time Value of Money		1, 2, 3, 5, 6, 8, 11, 12, 13, 23, 26, 34, 37
Chap. 6	Interest Rates	2, 4, 7, 8, 9, 10	
Chap. 7	Bonds	3, 5, 7, 8, 13	3, 4, 5, 8, 9, 17, 18
	Finance Math Handout		
Chap. 8	Risk and Rates of Return	2, 5, 8	2, 3, 7, 12, 17
Chap. 9	Stocks		2, 5, 8, 10, 19, 20
Chap. 11	Capital Budgeting	3, 4, 5	1, 2, 4, 7 (NPV, IRR and Payback), 9, 11

**TIMETABLE – MONDAY/WEDNESDAY SECTION 3 (IN-CLASS DAYS ARE BOLD.)**

<b>Monday</b>	<b>Topics</b>	<b>Wednesday</b>	<b>Topics</b>
Sept. 4	No Class – Labor Day	Sept. 6	Intro & Begin Ch. 1
Sept. 11	Finish Ch. 1 & Begin Ch. 3	Sept. 13	Finish Ch. 3 & Begin Ch. 4
Sept. 18	Finish Ch. 4 & Begin Ch. 2	Sept. 20	Finish Ch. 2
Sept. 25	No Class – Mullins out of town	Sept. 27	Review & Questions
Oct. 2	Begin Handout	Oct. 4	Exam 1 (Ch. 1-4)
Oct. 9	No Class – Mullins out of town – Continue to work on handout	Oct. 11	No class – Mullins out of town – Finish Handout – email assignment by 17:00 on October 13, 2017
Oct. 16	Begin Ch. 5	Oct. 18	Continue Ch. 5
Oct. 23	Finish Ch. 5	Oct. 25	Begin Ch. 6
Oct. 30	Finish Ch. 6 & Begin Ch. 7	Nov. 1	Finish Ch. 7 & Begin Finance Math Handout
Nov. 6	Finish Finance Math Handout	Nov. 8	Finance Math Handout Problems
Nov. 13	Team Project and Review for exam	Nov. 15	Exam 2 (handout and Ch. 5-7)
Nov. 20	Begin Ch. 8	Nov. 22	Thanksgiving
Nov. 27	Finish Ch. 8	Nov. 29	Begin Ch. 9
Dec. 4	Finish Ch. 9	Dec. 6	Begin Ch. 11
Dec. 11	Continue Ch. 11	Dec. 13	Financial Cases
Final Exam Monday, Dec. 18	Exam Group 21 19:15-21:15 (Ch. 1-9, 11 & Handout)		

**For every hour of time spent in the classroom, I expect you to spend at least TWO hours of study outside of class.**

**The final exam will be given at the scheduled time. It will be an open-book, open-note exam, and will be comprehensive.**

**Questions concerning grades should be brought to me as soon as possible after the end of the semester because exams, answers sheets, etc. will be thrown away eight weeks after the beginning of the next semester.**

**Note: any item on this syllabus is subject to change at the discretion of the instructor with appropriate notification of the class.**