Principles of Finance
Finance 303
Spring 2018

Keith Harvey 208-426-2391 Office
Department of Marketing and Finance – MBEB 3115
Email: kharvey@boisestate.edu (put 303 in subject)

Email: Put 303 in subject. I will be available by email Monday through Friday. You can expect a response within 24 hours for emails submitted on these days.

Office hours: Monday and Wednesday 12:30-1:30 or email me to schedule a meeting or phone call.

You can access the textbook via Blackboard on the Tools link by clicking the McGraw-Hill icon. As an online course, the instruction will be more textbook-centric than my typical face-to-face classes. Students will need to do the assigned textbook reading to complete the assignments, especially for descriptive information not covered in the videos.

Objectives: The purpose of this course is to introduce students to the issues faced by corporate financial managers and to facilitate interaction with the finance function of a business. Upon successful completion of this course the student should:

1. Acquire a working knowledge of the terminology and concepts necessary to communicate with financial managers
2. Be able to use the financial functions in Excel to solve financial problems
3. Understand how the finance function supports the goal of business value enhancement
4. Be able to read and analyze the financial statements of a corporate organization
5. Understand how the time value of money impacts financial decisions, and be able to value cash flows at different points in time
6. Understand and be able to apply the models for valuing financial assets, including bonds and stocks
7. Understand the concept and measurement of risk as it applies to financial modeling
8. Understand the criteria used to evaluate potential new project investments
Course Structure: The course is organized under the six topic modules outlined below in the schedule. The assignments for each chapter will become available on Saturday morning at 9 a.m., and all assignments will be due on the Sunday a week later at midnight (except one two-week chapter). Since feedback including solutions will be provided online to students after the assignments are submitted, no late assignments can be accepted.

Assignment Types: Each chapter will include the following three assignment types:

1. LearnSmart is an adaptive learning technology developed by McGraw-Hill to tailor content to individual student backgrounds and abilities. After studying the chapter materials, students demonstrate their knowledge by answering a series of questions. The type and number of questions depends on students’ responses to previous questions. You should make use of the textbook while completing the assignment.

   The LearnSmart grade is not based on the percentage of correct responses. Instead, completion of all the concept areas results in a 100% score. Credit is given for partial completion, however if students devote the necessary effort they should successfully complete 100% of the concepts.

2. Problems consist of a combination of those I have designed as well as the textbook-generated assignments. Since these assignments are being used in lieu of exams, you should not ask me to assist you with problem solutions. You should of course feel free to ask a question if you feel you don’t understand what a problem is asking you to do. You should not expect to complete every problem entirely correctly, just as you wouldn’t on an exam. After your first submission you will have the opportunity to see which problems you missed and correct them. After the due date solutions will be provided for your review.

   Unlike exams, you will have unlimited access to course resources and other students when working problems, and there will be no time restriction. Working together in an ethical manner to solve problems is encouraged, as students learn more when assisting one another. Providing other students with solutions without developing their
understanding is detrimental to the learning of the students involved, is unethical, and violates the Boise State Code of Conduct. I strive to be fair in all matters with you. Please reciprocate.

3. **Quizzes** will focus on conceptual understanding and terminology. This is the knowledge that you are most likely to retain, and that will be most useful to non-financial managers when interacting with the finance function. Quizzes will have announced time limits that will vary with the number of questions, and the question sequence will be randomized. To accommodate the time limit, any calculations will be limited to those that can be done very quickly. Quizzes should be completed independently.

**Study Sequence:**

I recommend you progress through the content for each of the chapters as follows:

1. Read the instruction file for the chapter
2. Watch the videos and view the Excel examples
3. Complete the assigned textbook reading
4. Complete the LearnSmart assignment, and use the program to identify areas for additional review
5. Complete the problems
6. Review the conceptual material again, then complete the quiz

**Evaluation:**

Evaluation will not be based on exams, unless a student chooses the final exam option. Instead, **the course grade will be determined by performance on the weekly assignments.** Each assignment will receive a percentage score out of a possible 100%. **The Grade Center on Blackboard will include a column titled ‘Weighted Total’ that shows your cumulative percentage score in the course to date.** The Weighted Total is determined by the following weights for each weekly assignment type:

1. LearnSmart 25%
2. Problems 35%
3. Quizzes 40%
Comprehensive Final Exam Option
During the final week of the course a student can notify me of their decision to take the **optional comprehensive final exam**. If a student chooses this option, each of the three assignment categories will be reduced in weight by 10%, with 30% allotted to the comprehensive final exam to be administered during finals week.

**Letter Grades**
Letter grades will be determined by the Weighted Total as follows:

- 92-100 percent  A
- 90-92 percent  A-
- 87-89 percent  B+
- 83-86 percent  B
- 80-82 percent  B-
- 77-79 percent  C+
- 73-76 percent  C
- 70-72 percent  C-
- 67-69 percent  D+
- 63-66 percent  D
- 60-62 percent  D-
- Below 60 percent  F

**Videos:**
I have prepared a series of videos for what I consider the most important material in each chapter, or that for which elaboration is beneficial. The videos are accompanied by Power Point and Excel examples for calculations. I hope you will find them very useful in distilling the chapter information. **The videos do not cover all the chapter material, however so you will still want to use the text as well to complete the assignments.**

Students have varied backgrounds and abilities. Some students struggle to keep up with a traditional classroom lecture and are reluctant to ask the instructor to slow down, while others desire a faster pace. Online delivery via videos provides tremendous flexibility in this regard. **Students needing more time to digest material can pause the presentation to collect their thoughts, view calculations in provided spreadsheets (especially helpful in Finance), study the illustrations, etc. They can replay the content at their leisure.** I strongly encourage you to take advantage of this flexible teaching tool. Conversely, I find that I deliver the content online in less than half the time of a classroom
presentation, since there is no need for long pauses to accommodate these issues, or for whiteboard writing and student copying. This allows students desiring a faster pace to reduce their time commitment and maintain their focus. I hope you find the videos beneficial to your learning, and welcome your feedback on them.

Excel Application: My examples use the financial functions in Excel to make calculations. I encourage you to use Excel to complete your problems, especially where financial functions are involved. Some of the problems will require use of these financial functions. I have provided a link to an optional Excel tutorial series on Blackboard under the Modules tab, if you desire more background in using Excel.

Blackboard: All the assigned materials for the course are found under the Modules tab in Blackboard, organized by chapter. For each chapter you will find: 1) Instructions for the chapter; 2) Video on which I voice over my Power Point and Excel examples; 3) Power Point slides; 4) Excel examples that accompany the videos; and 5) an equation sheet for those chapters that utilize calculations.

Accommodations: Any student who feels that they may need accommodations should contact the Educational Access Center (208-426-1583) to meet with a specialist and coordinate reasonable accommodations for any documented need. I am more than happy to help.
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