

**FINANCE 367  
BUSINESS FINANCE  
SPRING 2008**

**Instructor:** Dr. Natalya Delcours  
**Office:** 200 D  
**Office hours:** 4 p.m. – 6 p.m. UC  
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**Course Prerequisites:** Acc232 and Math 199 or equivalent.

**Text:** *Fundamentals of Financial Management, Brigham and Houston, Concise 5<sup>th</sup> Edition*. There is also an accompanying study guide/workbook that is optional, but recommended.

**Course Description:** A survey course covering corporate financial management. Basic concepts such as interest rates, time value of money, cost of capital and risk are discussed and applied to stock, bond and long-term investment valuation. Guidelines are developed for corporate financial decision-making in the areas of capital structure policy, dividend policy, long-term financing, corporate control, and working capital management. The impact of ethical considerations and global financial markets are discussed.

**Course Objectives:**

At the end of the course the student will:

1. *Know fundamental principles, generalizations, and theories such as interest rates, time value of money, cost of capital and risk are discussed and applied to stock, bond and long-term investment valuation.*
2. *Learn to apply course material, gain factual knowledge and develop financial decision-making skills in the areas of capital structure policy, dividend policy, long-term financing, corporate control, and working capital management.* Examine the impact of ethical considerations and global markets.
3. *This class will develop you oral communication and written skills.*  
The ability to communicate orally and in written form effectively is a key for business success and promotion.

**Grading:** There will be a total of four exams. Each of the exams will consist approximately of 50 multiple-choice and true/false questions. **Make-up exams will be given only prior to the scheduled exam provided with the legitimate reason for absence in accordance with the SMSU policy (please see below about observance of religious Holy Days).** You are responsible for knowledge of any announcements made at any time during scheduled class periods, regardless of whether or not you are in attendance.

There will be several web-based quizzes, with each quiz consisting of several short-answer/problem questions. You are allowed to take three quizzes per chapter and keep the best score. There will be no make-ups for missed quizzes. While a financial

calculator is not required for the class, you are encouraged to use one. **A Hewlett Packard 10BII is recommended (other calculators are acceptable; however, in all cases you are responsible for learning how to work your calculator).** The material in class will be presented using the mathematical formulas and financial calculator. In general, the following grading schedule will apply:

100% - 90%	=	A	Exam #1	=	20%
89% - 80%	=	B	Exam #2	=	20%
79% - 70%	=	C	Exam #3	=	20%
69% - 60%	=	D	Exam #4	=	20%
under 59%	=	F	Quizzes/Internet/ BW Assignments	=	20%

**Attendance:** All students are expected to attend class regularly and punctually. A seating chart will be made on the second day of class that will be used to take roll and help me learn your names. I will allow three unexcused absences (except test dates) per semester. **Absences totaling eight hours or more will result in a grade of “F” for the course. No late arrivals. Four late arrivals will be treated like one hour’s absence and will be included in determining total number of missed hours.**

No gratuities, please. Classroom is **your** corporate office. Business-like behavior is required and appreciated. Excused absences are listed in the University Bulletin. Any and all misconducts will be handled according to the procedures presented in the Bulletin. A seating chart will be made on the second day of class that will be used to take roll and help me learn your names.

**Study:** You are **expected** to study from one to two hours outside of class for each hour in class. Reading chapters ahead of the lecture and reviewing your notes immediately after class will greatly enhance your learning of the material. The textbook and class notes are complements. The homework may be collected for grading and it will be impossible to pass the class without a thorough understanding of it. If you have any trouble with any aspects of the course work, I will maintain office hours, which are listed above. To see me outside office hours you must make an appointment. **Drop-in visits are welcomed. Your cell phones should be turned off during class.** All changes in the course schedule will be announced in advance. Test dates will be announced at least a week in advance.

**Students with Disabilities:** If you have a specific disability that qualifies you for academic accommodations, please notify me (the instructor/professor) and provide certification from Disability Services (Office of Services for Students with Disabilities). **I will be able to accommodate you only after I receive letter from the Office of Services for Students with Disabilities.** The Office of Services for Students with Disabilities is located in the Counseling Center. **All disclosures of disabilities are kept strictly confidential.**

**Students Absence on Religious Holy Days:** Students are allowed to miss class/other activities for the observance of a Religious Holy Day, including travel for that purpose. Students remain responsible for class announcements and assignments. University policy

#861001 outlines the procedure to be followed by the student and instructor. A student desiring to absent himself/herself from a scheduled class in order to observe (a) religious holy day(s) shall present to each instructor a written statement concerning the absence. This request must be made within the first fifteen days of the semester/ the first seven days of a summer session in which the absence(s) will take place. The instructor will complete a form notifying the student of a reasonable timeframe in which the missed assignments and/or tests, quizzes are to be completed.

**Finally, if you need assistance with your writing skills?!** The Sam Houston Writing Center provides one-on-one assistance with your written assignments. The Center is opened from 8 a.m. to 7 p.m. M through Th, 8 a.m. to 3 p.m. on Fr, and 2 p.m. to 7 p.m. on Sunday. It is located in Wilson 114, phone 936-294-3680, no appointment necessary, first come first serve; however, you can call the Center to schedule your meeting with the Center representative. **Please, grammar matters!!!!**

## TENTATIVE SCHEDULE

<b><u>Subject</u></b>	<b><u>Chapter</u></b>	<b><u>Homework problems</u></b>
Introduction to Financial Management	1	BW assignment, CP1-1
Financial Markets and Institutions	5	Internet assignment, BW assignment, CP5-1
Interest rates	6	Internet assignment, CP6-1
Time Value of Money	2	1 through 27, 29 - 35, 39, 40, 44, 45
Bonds and their Valuation	7	1 through 15, CP7-1
Risk and Rate of Return	8	1 through 21
Stocks and their Valuation	9	1 through 5, 10 through 20,

Exam # 1 *Chapters 1, 2, 5 through 9*

The Cost of Capital	10	1 – 8, 11 – 14, 16 – 21, CP10-1
The Basics of Capital Budgeting	11	1 through 18, 20, 23
Cash Flow Estimation and Risk Analysis	12	1 through 5, 7, 8, CP12-1

Exam #2 *Chapters 10, 11, 12*

Financial Statements, Cash Flow, and Taxes	3	6 through 13, 15, 17, CP3-1
Analysis of Financial Statements	4	1 through 19, 21 through 24, CP4-1
Financial Planning and Forecasting	16	1 through 16, CP16-1

Exam #3 *Chapters 3, 4, 16*

Capital Structure and Leverage	13	1 through 5, 8, 14
Distributions to Shareholders	14	1 through 4, 6, 8, 9
Working Capital Management	15	1, 2, 3, 6, 8, 13
Multinational Financial Management	17	BW assignment, CP17-1

Exam #4 *Chapters 13, 14, 15, 17*