A course syllabus is your primary reference for any course. It tells you what the professor expects from you and what you can expect from them. If you have a question concerning the workings of the course, turn to this reference first. It represents the "rules of the game" so to speak. If you want clarification or have a question which you feel is not adequately addressed - by all means ask! By virtue of remaining in this course you have provided implicit agreement with the policies and procedures laid out in this syllabus.

Success in this class requires strong self-discipline and time management skills. Carefully read the syllabus as well as all communications from the instructor including email and Discussion Board postings. Students are required to complete various assessments for each chapter on their own time schedule during the week subject to the submission deadlines. Personal issues or technology problems do not excuse you, so please plan accordingly. The course resources are hosted on FIU's servers utilizing Blackboard/WebCT as the CMS:

- WebCT Login Instructions
- Online Learning Course Login Portal

In order to resolve any issues with your computer and online assessments, it is important that you take the "Online Learning Practice Quiz" from each computer you will be using. It is your responsibility to make sure your computer is compatible with WebCT [http://www.webct.com/tuneup] and that it meets the minimum hardware requirements [http://online.fiu.edu/future_whats_required.html].
Required Materials


**ISBN:** 0-324-25875-5

**ISBN 13:** 978-0324-25875-2

**Errata Sheet:** [Errata Sheet](#)

**Financial Calculator:** Here are some recommended models: HP 10bII, HP 12c, HP 17bII+, TI BA II Plus, TI BA II Plus Professional.

**Internet Access:** This is a fully online course. Students should have access to a properly configured computer and a reliable internet connection.

Recommended Materials


**ISBN:** 0-324-25876-3

**ISBN 13:** 9780324258769

**Financial Calculator Tutorials and Guidebooks:** Click [here](#) for access to additional resources for financial calculators.


**ISBN:** 073217093

**ISBN 13:** 9780073217093

Recommended Reading

<table>
<thead>
<tr>
<th>Wall Street Journal</th>
<th>Business Week</th>
<th>Fortune</th>
<th>Barron's</th>
<th>Kiplinger's</th>
<th>SmartMoney</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscribe</td>
<td>Subscribe</td>
<td>Subscribe</td>
<td>Subscribe</td>
<td>Subscribe</td>
<td>Subscribe</td>
</tr>
</tbody>
</table>

Prerequisites

**Prerequisites:** College Algebra (MAC 1105) or Calculus for Business (MAC 2233), Statistics for Business and Economics (STA 2023), Principles of Macroeconomics (ECO 2013), Principles of Microeconomics (ECO 2023) and Accounting for Decisions (ACG 2021).
Prerequisite Link: http://cbasys.fiu.edu/advising/prerequisites/prerequisites1.cfm

**NOTE:** Students will be dropped from business courses by the CBA Undergraduate Advising Office if they do not meet the prerequisites. In addition, they will be notified via email of the administrative drop. The email will be sent to the students FIU email account. All students are required to activate their FIU email accounts. The CBA Undergraduate Advising Office will continue checking enrollment throughout the first week of class and will drop students accordingly.

---

**Course Objectives & Course Competencies**

**FIN 3403** is the core finance course required of all business majors. The course integrates practical and theoretical aspects of finance and includes concepts and techniques essential for success in all business disciplines. Emphasis is placed upon the underlying principles and practices and how they relate to the decision making process faced by a financial manager charged with the objective of shareholder wealth maximization. Although this course emphasizes corporate decision making, the skills obtained will also aid the student in personal finance and small business decision making.

**After completing this course, the student should be able to:**

- Explain and evaluate the concept of shareholder wealth maximization and how it relates to other possible objectives of the firm's management as well as the nature of the agency relationship inherent in the corporate structure.
- Describe how interest rates are determined and the role played by financial markets and institutions in the global financial system.
- Explain the concepts of compounding and discounting and utilize these tools to calculate the future value and present value of lump sums, annuities, and uneven cash flow streams and in addition calculate the value of other variables such as the interest rate, time period, and periodic payment.
- Determine the expected rate of return and risk of an individual investment as well as a portfolio of assets, including concepts such as standard deviation, correlation, diversification, and the CAPM (Capital Asset Pricing Model).
- Explain the determinants of intrinsic value and utilize these concepts to determine the value and yields of bonds and preferred and common stocks.
- Calculate various measures of project profitability using traditional capital budgeting techniques including Payback Period, Net Present Value, Internal Rate of Return, and Modified Internal Rate of Return.
- Explain the concept of the cost of capital and how it is affected by the firm’s capital structure and the application of these concepts to capital budgeting decision making and dividend policy.
- Understand the significance of information included in the income statement and balance sheet, discuss the importance of the cash flow statement and explain the difference between accounting net income for the firm and cash flow; analyze a firm’s financial performance using financial ratio analysis.
- Identify the steps in the financial planning process and discuss the importance of sales forecasts and pro forma financial statements.
- Describe the risk-return tradeoff involved in working capital management and explain how firms’ choose appropriate levels of working capital and sources of short term financing.

---

**Major & Curriculum Objectives Targeted**

- Apply critical thinking skills to complex business problems including:
  - Identifying and evaluating relevant issues and information;
  - Generating and evaluating possible solutions to problems.

- Use quantitative analytical skills to:
  - Identify and analyze material factors that are involved in business problems;
  - Determine and apply appropriate problem-solving techniques to business problems.

- Use information technology as a tool to perform essential business tasks.
Teaching Methodology

Suggested study procedures:

- Print out the Overview section for each chapter and use it as a guide as to the important topics to focus on.
- Read the assigned chapter.
- View the eLecture for the assigned chapter and take appropriate notes.
- Sample the additional resources to deepen your understanding of the material.
- Complete the Sample Problems which can be accessed from the Class Schedule below.
- Complete all of the “Questions” and a sampling of the “Problems” at the end of each chapter (focus on the "Exam-Type Problems"); refer to the Instructor's Manual for guidance.
- Complete the Interactive Quiz for the chapter through the Text Web Site.
- Post your questions on the Discussion Forum in WebCT and review the Forum for previously answered questions.
- Use Course Mail or my personal address (jim.keys@fiu.edu) to communicate privately.
- Complete the Chapter Quizzes in WebCT by the due date following the instructions provided (no extensions will be granted). Do not wait until the final day to take the quizzes!
- Prepare for and take the Exams as scheduled, following the instructions provided.

Class and Undergraduate Policies and Procedures

The structure of this class makes your individual study and preparation extremely important. You should read and be familiar with the material in the assigned chapter and attempt to solve some problems before the lecture. The lecture will focus on the more difficult aspects of each chapter and on problems which deal with the material. After the class you should review your notes and in the process work additional relevant problems and questions at the end of the chapter. There are additional resources available in WebCT that many students will find helpful (E-Lectures, Ask the Author Video, The Problem Bank, and Xtra! Quizzing).

Participation:

- You are expected to attend all of the lectures for the semester. If you miss any material, it is your responsibility to obtain the information from another student.
- Do not consistently arrive late or leave early. If you have to leave or enter the room while a discussion or presentation is in progress, be quiet and discreet.
- Do not conduct private conversations while class is in session. However, participation in class discussions is expected.
- Turn off beepers and cell phones before entering the classroom.
- Do not eat in the classroom or leave trash behind.

Courses follow the University calendar for the term in which they are offered. You are expected to begin your studies in the first week of class and work continually and regularly throughout the term. Students must adhere to University policies and procedures relating to adding, dropping, withdrawing, and canceling courses. Please refer to the Schedule for deadlines.

Absolutely no incomplete grades or make-up examinations will be given. In cases of medical or catastrophic emergencies, the student should contact the Registrar's Office to apply for a Late Drop or Refund.

Undergraduate Policies & Procedures:

The Undergraduate Policies and Procedures Manual outlines and explains the policies and procedures governing undergraduate study at FIU. The policies include those concerning: the Undergraduate Program, University and Department Admission Criteria, College Level Academic Skills (CLAST), Academic Advising, General Academic Policies, Award of Degrees and Commencement Exercises, Educational Support Services and Undergraduate Administration. A keyword index links the Undergraduate, Graduate and Academic Affairs Policies and Procedures Manuals.

The Standards of Student Conduct summarizes the position of the University concerning ethics and honesty.

Statement of Understanding between Professor and Student:
Student Code of Academic Integrity

Every student must respect the right of all to have an equitable opportunity to learn and honestly demonstrate the quality of their learning. Therefore, all students must adhere to a standard of academic conduct, demonstrating respect for themselves, their fellow students, and the educational mission of the University. As a student in the College of Business taking this class:

- I will not represent someone else's work as my own.
- I will not cheat, nor will I aid in another's cheating.
- I will be honest in my academic endeavors.
- I understand that if I am found responsible for academic misconduct, I will be subject to the academic misconduct procedures and sanctions as outlined in the Student Handbook.

Failure to adhere to the guidelines stated above may result in one of the following:

**Expulsion:** Permanent separation of the student from the University, preventing readmission to the institution. This sanction shall be recorded on the student's transcript.

**Suspension:** Temporary separation of the student from the University for a specific period of time.

By taking this course I promise to adhere to FIU's Student Code of Academic Integrity. For details on the policy and procedure go to the Academic Misconduct section of the Policies and Procedures manual.

---

**Exams and WebCT Chapter Quizzes - Instructions**

Please read the Standards of Student Conduct and use it as your guide throughout the course. I take each and every instance of academic misconduct very seriously and hope that this is not an issue with any student who takes the course.

**Chapter Quizzes:** There are Quizzes assigned for each chapter (there are two quizzes on time value of money). Please refer to the Schedule of Beginning & Ending Times for Chapter Quizzes in WebCT appearing at the bottom of the page (no extensions will be granted). Do not wait until the final day to take the quizzes!

The quizzes will consist of material covered during the specified week. You may take each quiz up to three times; only the highest grade will count. The quizzes will serve to test your understanding of the subject matter and prepare you for the exams. When taking the quizzes please be sure to follow the instructions given in WebCT.

**Exams:** The Exams are multiple choice and are not comprehensive although some material will carry through. There will be three exams given throughout the term. Students are permitted the use of a calculator, scrap paper, and one 8.5” x 11” sheet with anything written on both sides. In addition, you are allowed to have the Time Value of Money Formula Sheet and Interest Tables during each exam. You must bring #2 pencils and your Student ID for all Exams.

There will be a total of three in-class Exams and fifteen WebCT-based Chapter Quizzes. The three lowest Quiz grades will be dropped. Your final grade will be based upon the Exams and the Chapter Quizzes or the Exams alone (see below).

No Exams or Quizzes will be reset for any student, so please be sure you are fully prepared before beginning any Quiz or Exam.

**Note:** Any violation of the testing policy as spelled out above will result in extreme consequences up to and including expulsion from the University!

The table below summarizes the environment you must adhere to when taking Quizzes and Exams:
**Chapter Quizzes (online)** | **Exams (in class)**
---|---
Open Book, Open Notes | Pens/Pencils
Pens/Pencils | Calculator
Scrap Paper | Scrap Paper
Calculator | One 8.5” x 11” Sheet (both sides)

**Time Value of Money Formula Sheet**

- Future Value of a lump sum
- Present Value of a lump sum
- Future Value of an annuity
- Present Value of an annuity

---

**Time Value of Money and Other Resources**

**Time Value of Money Tools:** The following Time Value of Money tools should be downloaded and printed out. Refer to the "Other Resources" page for calculator tutorials, math and statistical resources, financial certifications and additional items of interest.

<table>
<thead>
<tr>
<th>Outline</th>
<th>Study Guide</th>
<th>Formula Sheet</th>
<th>Interest Tables</th>
<th>Calculator and Other Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>TVM Outline</td>
<td>TVM Study Guide</td>
<td>TVM Formula Sheet</td>
<td>FV, FVA, PV, PVA</td>
<td><a href="http://www.fiu.edu/~keysj/Other_Resources.htm">http://www.fiu.edu/~keysj/Other_Resources.htm</a></td>
</tr>
</tbody>
</table>

---

**Grade Access, Grade Determination, and Grading Scale**

**Course Grading:** The final grade is based upon the Chapter Quizzes and Exams.

Exam #1 | 28%
Exam #2 | 28%
Exam #3 | 28%
Chapter Quizzes (Best 13 out of 15) | 16%
Total | 100%

OR

Exam #1 | 33 1/3%
Exam #2 | 33 1/3%
Exam #3 | 33 1/3%
Total | 100%

**Grade Calculator:** [http://www.fiu.edu/~keysj/Grade_Calculator_FIN3403_WBBA.xls](http://www.fiu.edu/~keysj/Grade_Calculator_FIN3403_WBBA.xls)

**Grading Scale:** The letter grade for the course is based upon the scale below.

<table>
<thead>
<tr>
<th>90 - 100</th>
<th>A</th>
<th>77 - 79</th>
<th>B-</th>
<th>64 - 66</th>
<th>D+</th>
</tr>
</thead>
<tbody>
<tr>
<td>87 - 89</td>
<td>A-</td>
<td>74 - 76</td>
<td>C+</td>
<td>60 - 63</td>
<td>D</td>
</tr>
<tr>
<td>84 - 86</td>
<td>B+</td>
<td>70 - 73</td>
<td>C</td>
<td>57 - 59</td>
<td>D-</td>
</tr>
<tr>
<td>80 - 83</td>
<td>B</td>
<td>67 - 69</td>
<td>C-</td>
<td>00 - 56</td>
<td>F</td>
</tr>
</tbody>
</table>

**Grade Access:** All grades will posted on the internet under your personal code.

- Calculate your personal code by going to [http://cba.fiu.edu/cba](http://cba.fiu.edu/cba) and entering your Panther ID number.

---

**Disability Resource Center**

If a student has a disability and needs assistance, please notify the Instructor and/or contact the [Disability Resource Center](http://www.fiu.edu/~keysj/Other_Resources.htm) to make
arrangements for the appropriate modification and/or assistance.

### Religious Holidays

Any student may request to be excused from a scheduled exam to observe a religious holy day of their faith. The student must notify the Instructor and arrange to take the exam in advance of the regularly scheduled exam date.

### Class Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapter Coverage</th>
<th>Topic</th>
<th>Author’s Notes (with permission)</th>
<th>Sample Problems</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 29</td>
<td>1, 2</td>
<td>Overview of Managerial Finance Markets, Institutions, Interest Rates</td>
<td>Introduction to Managerial Finance The Cost of Money</td>
<td></td>
</tr>
<tr>
<td>October 6</td>
<td>11, 11A, 3</td>
<td>Analysis of Financial Statements</td>
<td>Concepts in Managerial Finance</td>
<td></td>
</tr>
<tr>
<td>October 13</td>
<td>3</td>
<td>Time Value of Money</td>
<td>Time Value of Money</td>
<td></td>
</tr>
<tr>
<td>October 20</td>
<td>1, 2, 3, 11, 11A</td>
<td>EXAM #1</td>
<td></td>
<td>Chapters 1, 2, 3, 11</td>
</tr>
<tr>
<td>October 27</td>
<td>4, 16, 17</td>
<td>Risk and Rates of Return Common Stock Long Term Debt</td>
<td>Risk and Rates of Return</td>
<td></td>
</tr>
<tr>
<td>November 3</td>
<td>5</td>
<td>Valuation Concepts</td>
<td>Valuation Concepts</td>
<td></td>
</tr>
<tr>
<td>November 10</td>
<td>6, 6B</td>
<td>Capital Budgeting Techniques</td>
<td>Capital Budgeting</td>
<td></td>
</tr>
<tr>
<td>November 17</td>
<td>4, 5, 6, 6B, 16, 17</td>
<td>EXAM #2</td>
<td></td>
<td>Chapters 4, 5, 6, 16, 17</td>
</tr>
<tr>
<td>November 24</td>
<td></td>
<td>Thanksgiving Holiday</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December 1</td>
<td>8, 9</td>
<td>Cost of Capital Capital Structure</td>
<td>Cost of Capital</td>
<td></td>
</tr>
<tr>
<td>December 8</td>
<td>10, 13, 14</td>
<td>Dividend Policy Working Capital Policy Managing Short Term Assets</td>
<td>Capital Structure and Dividend Policy</td>
<td></td>
</tr>
<tr>
<td>December 15</td>
<td>8, 9, 10, 13, 14</td>
<td>EXAM #3</td>
<td></td>
<td>Chapters 8, 9, 10, 13, 14</td>
</tr>
</tbody>
</table>
## FIN 3403 – Section RD8 - WBBA - Fall 2007 Semester
### Schedule of Beginning & Ending Times for Chapter Quizzes in WebCT

<table>
<thead>
<tr>
<th>Quiz (Chapter)</th>
<th>Quiz Begins (5:00 AM)</th>
<th>Quiz Ends (11:00 PM)</th>
<th>Time Allowed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Chapter 1) Overview of Managerial Finance</td>
<td>9/29/2007</td>
<td>10/20/2007</td>
<td>90 minutes</td>
</tr>
<tr>
<td>6 (Chapter 4) Risk and Rates of Return</td>
<td>9/29/2007</td>
<td>11/17/2007</td>
<td>&quot;</td>
</tr>
<tr>
<td>11 (Chapter 8) Cost of Capital</td>
<td>9/29/2007</td>
<td>12/14/2007</td>
<td>&quot;</td>
</tr>
</tbody>
</table>