Success in a hybrid 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 and that it meets the minimum hardware requirements.
**Index to Syllabus**

- Required Materials
- Recommended Materials
- Recommended Reading
- Prerequisites
- Course Objectives & Course Competencies
- Class and Undergraduate Policies and Procedures
- Major and Curriculum Objectives Targeted
- Teaching Methodology
- In-Class Exams
- Time Value of Money and Other Resources
- Grade Determination and Grading Scale
- Disability Resource Center
- Religious Holidays
- Class Schedule

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**Textbook**


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**Required Materials**


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

**Internet Access**: Students should have access to a properly configured computer and a reliable internet connection.

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**Recommended Materials**


ISBN: 0-324-25876-3

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


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**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>

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**Prerequisites**

FIN 3403 Syllabus - Gary Anderson
**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](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.

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### 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.

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### 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 lectures 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).

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 online 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.

**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 bring to each class.
- Read the assigned chapter before the class lecture.
• Sample the additional resources in WebCT to deepen your understanding of the material.
• 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.
• Take good notes and do not hesitate to ask questions in class.
• Post your questions on the Discussion Forum in WebCT and review the Forum for previously answered questions. Take the Quiz for the specified chapter through WebCT. You can take the Chapter Quizzes as many times as you like, these Quizzes will not affect your grade directly, but they will help you prepare for the conceptual questions that may appear on the in-class Exams.

In-Class Exams

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.

The Exams are multiple choice and are not comprehensive although some material will carry through. Students are permitted the use of a calculator and a formula sheet (provided during exam). You must bring #2 pencils, a calculator, and your Student ID for all Exams. Your final grade will be determined as shown below.

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.

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.

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 Determination and Grading Scale

Course Grading: The final grade is computed as follows:

<table>
<thead>
<tr>
<th>Without Optional Final</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm Exam</td>
<td>50.00%</td>
</tr>
<tr>
<td>Second Exam</td>
<td>50.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>With Optional Final</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm Exam</td>
<td>33.33%</td>
</tr>
<tr>
<td>Second Exam</td>
<td>33.33%</td>
</tr>
<tr>
<td>Final Examination</td>
<td>33.33%</td>
</tr>
</tbody>
</table>

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>78 - 79</th>
<th>B-</th>
<th>66 - 67</th>
<th>D+</th>
</tr>
</thead>
<tbody>
<tr>
<td>88 - 89</td>
<td>A-</td>
<td>76 - 77</td>
<td>C+</td>
<td>60 - 65</td>
<td>D</td>
</tr>
<tr>
<td>86 - 87</td>
<td>B+</td>
<td>70 - 75</td>
<td>C</td>
<td>58 - 59</td>
<td>D-</td>
</tr>
<tr>
<td>80 - 85</td>
<td>B</td>
<td>68 - 69</td>
<td>C-</td>
<td>0 - 57</td>
<td>F</td>
</tr>
</tbody>
</table>

Disability Resource Center
If a student has a disability and needs assistance, please notify the Instructor and/or contact the Disability Resource Center 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 (Week Of)</th>
<th>Chapter Coverage</th>
<th>Topic</th>
<th>Author’s Notes (with permission)</th>
<th>Sample Problems</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 8</td>
<td>1, 2</td>
<td>Overview of Managerial Finance Markets, Institutions, Interest Rates</td>
<td>Introduction to Managerial Finance Cost of Money Essential Concepts</td>
<td></td>
</tr>
<tr>
<td>January 15</td>
<td>3</td>
<td>Time Value of Money</td>
<td>Time Value of Money</td>
<td></td>
</tr>
<tr>
<td>January 22</td>
<td>3</td>
<td>Time Value of Money</td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 29</td>
<td>3</td>
<td>Time Value of Money</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 5</td>
<td>5</td>
<td>Valuation Concepts - Debt</td>
<td>Valuation Concepts</td>
<td></td>
</tr>
<tr>
<td>February 12</td>
<td>5</td>
<td>Valuation Concepts - Common Stock</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 19</td>
<td>4</td>
<td>Risk and Rates of Return</td>
<td>Risk and Rates of Return</td>
<td>Chapters 1,2,3,4,11 Chapters 5,6,7,16,17</td>
</tr>
<tr>
<td>February 26</td>
<td>4</td>
<td>Risk and Rates of Return</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March 4</td>
<td>1,2,3,4,5</td>
<td>MIDTERM EXAM</td>
<td>Chapters 1,2,3,4,11 Chapters 5,6,7,16,17</td>
<td></td>
</tr>
<tr>
<td>March 11</td>
<td>DROP DATE</td>
<td>DROP DATE</td>
<td>Chapters 5,6,7,16,17</td>
<td></td>
</tr>
<tr>
<td>March 18</td>
<td>6, 6B</td>
<td>Capital Budgeting Techniques</td>
<td>Capital Budgeting</td>
<td></td>
</tr>
<tr>
<td>March 25</td>
<td>6, 6B</td>
<td>Capital Budgeting Techniques</td>
<td></td>
<td></td>
</tr>
<tr>
<td>April 1</td>
<td>7, 7A</td>
<td>Project Cash Flows and Risk</td>
<td>Spring Break</td>
<td></td>
</tr>
<tr>
<td>April 8</td>
<td>8, 9</td>
<td>Cost of Capital Capital Structure</td>
<td>Cost of Capital Capital Structure and Dividend Policy</td>
<td>Chapters 5,6,7,16,17 Chapters 8,9,10,12,13,14</td>
</tr>
<tr>
<td>April 15</td>
<td>6,7,8,9</td>
<td>SECOND EXAM</td>
<td>Chapters 5,6,7,16,17 Chapters 8,9,10,12,13,14</td>
<td></td>
</tr>
<tr>
<td>April 22</td>
<td>1,2,3,4,5,6,7,8,9</td>
<td>FINAL EXAM</td>
<td>Tuesday, April 22, 8:00PM - 10:45PM <em><strong>Subject to Change</strong></em></td>
<td></td>
</tr>
</tbody>
</table>

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