

SYLLABUS – SPRING 2011
Finance 201-01/03: Fundamental Financial Methods

Instructor: Prof. Seunghee Choi

Office: Business Bldg 317 **Phone:** (609) 771-2625

E-mail: choi@tcnj.edu **Office hours:** Monday 2:30 – 4:30 pm

Class: 01-18-2011 to 3-15-2011

(01 Section) Monday & Thursday, 10:00 - 11:50 am, Business Bldg 224

(03 Section) Monday & Thursday, 12:00 - 01:50 pm, Business Bldg 226

I. Course Description

This course provides an overview of the major topics in finance, including time value of money, security valuation, capital budgeting, financial return/risk and leverage as well as cost of capital.

II. Course Purpose & Learning Goals

Students are expected to have the following three objectives in this class: (1) to build a solid foundation in financial concepts, (2) to spark their interest in the field, and (3) to think about how the material could be applicable to their future careers.

III. Course Texts and Materials:

Textbook – Mayo, Herbert B. *Basic Finance: An Introduction to Financial Institutions, Investments & Management*. (9th edition)

Newspapers – WSJ, FT, Economist

Financial calculator – A financial calculator is **required** for this class. Any financial calculator is acceptable; however, the Texas Instruments 83 (TI-83) Plus will be used for instructional purposes. If you choose to use another calculator, work with others using the same calculator to become familiar with how it works.

IV. Course Schedule:

Week	Date			Topic / Note	Chapter
1	Jan.	20	Thursday	Time Value of Money	7
2		24	Monday	Time Value of Money	7
		27	Thursday	Risk and Return	8
3		31	Monday	Risk and Return	8
	Feb.	3	Thursday	Risk and Return	8

4	7	Monday	Bond Valuation	13
	10	Thursday	Bond Valuation	13
5	14	Monday	MIDTERM EXAM	
	17	Thursday	Bond Valuation / Stock Valuation	13, 11
6	21	Monday	Stock Valuation	11
	24	Thursday	Cost of Capital	21
7	28	Monday	Capital Budgeting	19, 22
Mar.	3	Thursday	Capital Budgeting/ Financial Leverage**	22, 20
8	7	Monday	<i>Spring Break</i>	
	10	Thursday	<i>Spring Break</i>	
	14	Thursday	FINAL EXAM	

** If time allows

V. Prerequisites:

ECO-101/STA-215 or ECO-102/STA-215 or HONR-208/STA-215 or HONR-207/STA -215

VI. Communications:

Office hours are provided above. In addition, extra office hours will be held by appointment. Please feel free to email me at any time with your class code/name (i.e. FIN201-05) on the subject line. I will **frequently** use e-mail to communicate relevant information concerning the course, so you should check your TCNJ e-mail account regularly. **All course materials are available through SOCS. You should print these notes** and bring them to class with you to facilitate effective note-taking. They will also provide you with a basic framework in the event that you miss a class. Remember, these notes are only outlines and do **not** contain all information needed to succeed. For security reasons, I can only correspond with official TCNJ e-mail addresses and will not read or respond to e-mails from non- TCNJ accounts (e.g., yahoo, hotmail, etc.).

VII. Classroom Conduct and Attendance:

Students are expected and encouraged to attend all classes, read appropriate material, and attempt all homework. Students are required to show respect to myself and their classmates by exhibiting appropriate behavior. Inappropriate behavior, such as: excessive talking, disrupting lectures, **cell phone usage, internet usage** etc. will **not** be tolerated. Students who fail to exhibit appropriate behavior will be **removed** from class and **not allowed to return**.

VIII. Course Requirement & Grading:

<u>Assignment</u>	<u>Percentage</u>
Two Quizzes	20%
Midterm Exam	35%
Final Exam (cumulative)	40%

Class Participation 5%

93-100 %	A
90-93 %	A-
87-90 %	B+
83-87 %	B
80-83 %	B-
77-80 %	C+
73-77 %	C
70-73 %	C-
60-70 %	D
Below 60%	F

Quizzes: Three quizzes will be given **with** notice. Quizzes can **never** be made up for any reason, **but you will get to drop your one lowest quiz grade.** Quizzes will be essay format, with partial credit awarded.

Exams: Exams will be **closed-book** and in multiple-choice format, with **no** partial credit awarded. You will **not** be permitted to share a calculator, so check your batteries prior to a test. I will provide a formula sheet, so you will not be allowed to bring or use additional paper. To the extent possible based on the number of students enrolled, you must have one empty seat between you and the person seated next to you during the exam. **No cell phones and no electronic devices are allowed on the desk.**

Make-ups will not be given, and absences will be excused only in the most extreme circumstances (I will determine what is extreme). If you are unable to take an exam at the scheduled time, you must notify me **in advance** by both telephone and e-mail. **Failure to provide advance notice will result in a zero on the exam.** You will have to provide written documentation for an absence. If excused, the exam's weight will be transferred to the final.

NOTE: You must bring a photo ID (TCNJ Student ID or driver's license) to each exam. **NO ONE** will be allowed to take an exam without a photo ID. **Cheating on any assignment may result in an 'F' for the course and the incident reported to the university.**

Any questions regarding your grade must be communicated to me in writing **within one** week after a grade is returned. You are responsible for keeping copies of quizzes/exams.

THERE WILL BE ABSOLUTELY NO EXCEPTIONS TO THE ABOVE POLICIES.

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SELECTED TCNJ POLICIES

TCNJ's final examination policy is available on the web:

<http://www.tcnj.edu/~academic/policy/finaevaluations.htm>

Attendance

Every student is expected to participate in each of his/her courses through regular attendance at lecture and laboratory sessions. It is further expected that every student will be present, on time, and prepared to participate when scheduled class sessions begin. At the first class meeting of a semester, instructors are expected to distribute in writing the attendance policies which apply to their courses. While attendance itself is not used as a criterion for academic evaluations, grading is frequently based on participation in class discussion, laboratory work, performance, studio practice, field experience, or other activities which may take place during class sessions. If these areas for evaluation make class attendance essential, the student may be penalized for failure to perform satisfactorily in the required activities. Students who must miss classes due to participation in a field trip, athletic event, or other official college function should arrange with their instructors for such class absences well in advance. The Office of Academic Affairs will verify, upon request, the dates of and participation in such college functions. In every instance, however, the student has the responsibility to initiate arrangements for make-up work.

Students are expected to attend class and complete assignments as scheduled, to avoid outside conflicts (if possible), and to enroll only in those classes that they can expect to attend on a regular basis. Absences from class are handled between students and instructors. The instructor may require documentation to substantiate the reason for the absence. The instructor should provide make-up opportunities for student absences caused by illness, injury, death in the family, observance of religious holidays, and similarly compelling personal reasons including physical disabilities. For lengthy absences, make-up opportunities might not be feasible and are at the discretion of the instructor. The Office of Academic Affairs will notify the faculty of the dates of religious holidays on which large numbers of students are likely to be absent and are, therefore, unsuitable for the scheduling of examinations. Students have the responsibility of notifying the instructors in advance of expected absences. In cases of absence for a week or more, students are to notify their instructors immediately. If they are unable to do so they may contact the Office of Records and Registration. The Office of Records and Registration will notify the instructor of the student's absence. The notification is not an excuse but simply a service provided by the Office of Records and Registration. Notifications cannot be acted upon if received after an absence. In every instance the student has the responsibility to initiate arrangements for make-up work.

TCNJ's attendance policy is available on the web:

<http://www.tcnj.edu/~recreg/policies/attendance.html>

Academic Integrity Policy

Academic dishonesty is any attempt by the student to gain academic advantage through dishonest means, to submit, as his or her own, work which has not been done by him/her or to give improper aid to another student in the completion of an assignment. Such dishonesty would include, but is not limited to: submitting as his/her own a project, paper, report, test, or speech copied from, partially copied, or paraphrased from the work of another (whether the source is printed, under copyright, or in manuscript form). Credit must be given for words quoted or paraphrased. The rules apply to any academic dishonesty, whether the work is graded or ungraded, group or individual, written or oral.

TCNJ's academic integrity policy is available on the web:

<http://www.tcnj.edu/~academic/policy/integrity.html>.

Americans with Disabilities Act (ADA) Policy

Any student who has a documented disability and is in need of academic accommodations should notify the professor of this course and contact the Office of Differing Abilities Services (609-771-2571). Accommodations are individualized and in accordance with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1992.

TCNJ's Americans with Disabilities Act (ADA) policy is available on the web:

<http://www.tcnj.edu/~affirm/ada.html> .