

FIN201 FUNDAMENTAL FINANCIAL METHODS

The College of New Jersey – School of Business

Professor Catherine Bernard
Spring 2022 FIN 201- 07 - Quarter 1

e-mail: bernardc@tcnj.edu
Office Hours: Immediately before & after class
and by appointment (Remotely/Virtually)

Text: Mayo, Herbert B. Basic Finance: An Introduction to Financial Institutions, Investments and Management, 12th Edition

Course Description:

This term we will study some of the basic tools and methods of finance which give us the tools to analyze certain financial matters and decisions facing individuals and companies. In this course you will learn about, among other things, the valuation of cash flows, quantification of risk and return, the basics of stocks and bonds, capital structure and the use of debt and/or equity to raise capital. Valuation will be a common theme throughout this course. We will be studying a sampling of some of the important topics in Finance and this coursework will provide a basis for further study.

Main Topics:

Time Value of Money (Present Value, Future Value)

Valuation of Stocks & Bonds; Returns

Financial Leverage & Risk

Cost of Capital

Capital Budgeting

Course Format: At this time this class is expected to be conducted on campus (in person) during our regularly scheduled class time. Week one is expected to be conducted virtually via Zoom. Although not anticipated at the outset, in the event any future classes are changed to a virtual format the following virtual format will apply to those classes. Any virtual classes will be conducted via and will consist of synchronous instruction at the regularly scheduled class meeting time all of which are during the scheduled course meeting times listed in PAWS and in addition to your computer and internet access, you should also have a microphone and camera if not already built in to your computer. (Please note it will not be required that you have your camera on during any class conducted virtually.)

Course Requirements: In addition to tests and quizzes mentioned below, this class requires class preparation and participation which will include the completion of assigned readings as well as any assigned problems. *Your participation in this course matters and is valued.*

You will not be graded on homework problems; however, your completion of homework problems and assigned readings is essential to your understanding of the material as well as good performance on each quiz and each test.

Calculator: In addition to the above mentioned textbook, a calculator is required. You are responsible for having a working calculator for every test and quiz and for class. (A

financial calculator is optional, not mandatory. However, it is encouraged for finance majors.)

Grading: Final grades will depend upon your test and quiz grades. There will be two (2) tests will be weighted equally and any quizzes will be averaged to account for one test grade; the final average will be based on a simple average of the “test” grades with (as noted) quizzes averaged to account for one test grade. Quizzes will be conducted online. Tests may be either online or in person (you will be notified as to which in advance of each test.)The exams may include any combination of short essay questions, problems and objective questions. Class participation will be considered, at the discretion of the instructor, in the case of borderline grades. Please note documentation evidencing that you were ill or otherwise unable to take a test / quiz is **required** in the event of a missed test or quiz.

Writing: Writing is a fundamental business skill, your grade for each assignment will reflect, among other things, your ability to write, to the extent writing is involved. If your writing needs improvement, consider seeking help from the tutoring / writing conferences at (<https://tutoringcenter.tcnj.edu/humanities/single-session-writing-conferences/>)

Grading Scale:

A	93 and above	C+	77 to 79.99
A-	90 to 92.99	C	73 to 76.99
B+	87 to 89.99	C-	70 to 72.99
B	83 to 86.99	D+	67 to 69.99
B-	80 to 82.99	D	63 to 66.99
		F	59.99 and below

Attendance: Class attendance is important. Attendance will be taken each class and you must attend the entire class to get credit for attendance at that class.

Syllabus:

Students are to regard this syllabus and the session calendar as guides for the course. The instructor retains the authority to alter the syllabus, the calendar and the contents of these items.

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Course Schedule :

Jan 24	Chapter 7 (Time Value of Money), begin Chapters 12 & 13 (Bonds)
Jan 31	more Chapter 13, Chapters 10 & 11 (Stocks & Stock Valuation), Quiz #1
Feb 7	Chapter 8 (Risk), Chapter 20 (Leverage) .
Feb 14	TEST #1; and Chapter 21

- Feb 21 begin Chapter 22 (Capital Budgeting)
- Feb 28 **Quiz #2:** more Chapter 22 (Capital Budgeting), begin Final Exam Review
- Mar 7 more Final Exam Review & **Final Exam**

Please have your book & calculator with you during each class.

Administrative Notices – (Please read carefully).

1. **Accessibility Resource Center :** I am glad to work with students who have documented disabilities approved by TCNJ's Accessibility Resource Center. Students approved by the Accessibility Resource Center for any accommodations must provide the documentation to the instructor as soon as possible prior to the first quiz and within the first two weeks of the semester. (arc@tcnj.edu)
2. **Academic Integrity:** Students are responsible to know the Academic Integrity policy. Students may only represent work that is their own. Cheating on tests, failing to cite sources, or submitting someone else's work are just a few examples that may result in failing the entire course or dismissal from the college. TCNJ's academic integrity policy is available online at: <https://academicintegrity.tcnj.edu/>
3. **Attendance Policy:** Except in the case of a TCNJ authorized absence or documented personal emergency, faculty are encouraged NOT to make individual exceptions to course assignment due dates and exams. Our work is no less coordinated or time-sensitive than many tasks encountered in the workplace and meeting deadlines and obligations is simply one more step in preparation for a business career. [TCNJ's Attendance Policy](#).
4. **Code of Conduct & Inclusion Statement Links:** Students are responsible for awareness of the Code, online at: <https://business.tcnj.edu/about-the-school-of-business/code-of-conduct/> , and Inclusion Statement at: <https://business.tcnj.edu/2020/07/01/19938/>
5. Please give your attention to the class & do not attend to your cell phones, take calls, text, review snap, instagram, FB etc. during class time.
6. Please do not use your laptop /computer/ tablet during class for anything that is not directly related to the work we are doing at that time. (For example: gaming, social media postings, e-mailing, internet browsing, Insta). NOTE: The right to restrict / disallow use of laptops/tablets during class is reserved by the professor. Be prepared to take notes manually, if needed.
7. Testing environment requirements: You are expected to secure a suitable testing environment for any online quiz or test. You are responsible for notifying me as soon as possible if you encounter connectivity, power outage, or equipment issues that arise prior to or during the quiz/exam. Please contact me as soon as possible via email.
8. **Final Exam Policy:** Students are responsible for being present for all exams as scheduled by the college. TCNJ's final examination policy is available at: <https://policies.tcnj.edu/?p=266>

Initial Homework Problems: FIN201 ***

Chapter 7	Problems 1, 2, 7, 8, 10, 11, 15, 24, 27
Chapter 12	no Homework problems, but you have to know the Chapter 12 material
Chapter 13	Problems 1, 2, 4, 6, 7, 9a, 9b
Chapter 10	Problems 1, 3, 7
Chapter 11	Problems 1, 2, 3acd, 6a,6b
Chapter 8	Problems 2, 3, 4, 8, 10, Chapter 11 Problems 5,8
Chapter 20	Problems 2,4 and be sure you review table p.324 and understand why ROE differs
Chapter 21	Problems 1a, 3acd, 4abce, 5abc
Chapter 22	Problems 3bc, 4abc, 5ac, 6,7, 10ab, 11ab, 3abc, 11a and if You know the IRRs in this problem are 30% for Q and 20% for S which do you select? 12a and if you can only select one asset and you know IRRs are 15% for A and 12% for B and 20% for C, which do you select? 17a. Additional problems p. 471 – 1, 2, 3ab

*** Please note the following:

1. Additional problems may be assigned beyond what is listed above
2. Problem numbers pertain to problems listed under “Problems” at end of Chapter unless otherwise noted