

<b>Course</b>	<b>FINC 5000 Finance</b>	
<b>Term</b>	<b>Spring II, 2008</b>	
<b>Instructor</b>	<b>Dr. Richard G. Hawk</b> <b>Cell phone 843-251-6629 - email hawkrg@webster.edu</b>	
<b>Catalog Description</b>	The student examines the general nature of financial management, the American financial system, taxes, and the major financial decisions of corporations. Specific attention is given to present value and capital budgeting; risk and asset pricing; financial analysis and forecasting; financial decisions and market efficiency; and capital structure. Problem-solving methodology is used to illustrate the theories and tools in financial decision-making.	
<b>Prerequisites</b>	Prerequisites: BUSN 5600 and BUSN 5760. (FINC 5570 cannot be substituted for FINC 5000.)	
<b>Course Level Learning Outcomes</b>	<b>Outcome</b>	<b>Expectation</b>
	1. Students can determine the value of fixed income securities	Students can use equations and financial calculators to solve for all variables within the bond pricing equation.
	2. Students can determine the value of equity securities	Students can compute the value of equity using the Gordon Growth Model.
	3. Students can discuss market functioning and the role efficient markets play in security valuation	Students can identify the three levels of market efficiency, and are able to distinguish between the three when presented with a scenario.
	4. Students can evaluate capital budgeting decisions using standard methodologies	Students can employ NPV, IRR, and payback methods to analyze potential capital investments.
	5. Students can explain the impact of capital structure decisions on financial performance and the cost of capital	Students can explain the affect of varying the firm's debt and equity levels on the weighted average cost of capital.
	6. Students can identify agency problems within a corporation and formulate strategies to address them	Students can explain the conflicts of interest that exist between shareholders and managers in firms with less than 100% ownership by the manager of the firm. They can discuss a methods used by corporations (profit sharing, employee stock options, takeovers, etc.) to align manager and shareholder interests.

	7. Students can evaluate credit and interest rate risk	Students can explain the impact of interest rate risk on risk premiums. They can discuss factors which increase interest rate risk.																																				
	8. Students can utilize financial analysis to assess an organization's financial condition	Students can compute ratios from the information on financial statements. The ratios are in the categories of liquidity, profitability, market valuation, and efficiency. Students can apply the DuPont Model.																																				
<b>Materials</b>	<ul style="list-style-type: none"> <li>Brigham, Eugene F. and Michael C. Ehrhardt, 2008, Financial Management, Theory and Practice, 12th edition, Thomson South-western</li> </ul>																																					
<b>Grading</b>	<table border="1" data-bbox="375 722 1024 951"> <tr> <td>Exam 1</td> <td>40%</td> </tr> <tr> <td>Exam 2</td> <td>40%</td> </tr> <tr> <td>Homework assignments, attendance and participation, 2 short papers</td> <td>20%</td> </tr> <tr> <td><b>Total</b></td> <td><b>100%</b></td> </tr> </table> <p data-bbox="412 1016 1256 1066"><b>The GRADUATE catalog provides these guidelines and grading options for graduate business degrees:</b></p> <p data-bbox="488 1089 1252 1140">Grades in the program are A, A-, B+, B, B-, C, F, I, ZF, and W. Grades reflect the following standards:</p> <table data-bbox="488 1161 1305 1402"> <tr> <td>A/A-</td> <td>Superior Graduate work</td> </tr> <tr> <td>B+/B/B-</td> <td>Satisfactory Graduate work</td> </tr> <tr> <td>C</td> <td>Work that is barely adequate as graduate-level performance</td> </tr> <tr> <td>F</td> <td>Work that is unsatisfactory</td> </tr> <tr> <td>I</td> <td>Incomplete work</td> </tr> <tr> <td>ZF</td> <td>An "I" that is not completed within one year of the end of the course is automatically converted to a "ZF". A "ZF" is treated the same as an F or NC for all cases involving GPA, academic warning, probation and dismissal.</td> </tr> <tr> <td>W</td> <td>Withdrawn from the course</td> </tr> </table> <p data-bbox="370 1432 570 1465"><b>Grading Scale</b></p> <table data-bbox="370 1472 602 1724"> <tr> <td>96-100</td> <td>A</td> </tr> <tr> <td>90-95</td> <td>A-</td> </tr> <tr> <td>87-89</td> <td>B+</td> </tr> <tr> <td>84-86</td> <td>B</td> </tr> <tr> <td>80-83</td> <td>B-</td> </tr> <tr> <td>70-79</td> <td>C</td> </tr> <tr> <td>Below 70</td> <td>F</td> </tr> </table> <p data-bbox="370 1761 672 1795"><b>Passports Component</b></p> <p data-bbox="370 1835 1354 1898">Passports is the Eden-Webster Library's WWW site, integrating Internet resources and online databases for student and faculty research. Students are</p>		Exam 1	40%	Exam 2	40%	Homework assignments, attendance and participation, 2 short papers	20%	<b>Total</b>	<b>100%</b>	A/A-	Superior Graduate work	B+/B/B-	Satisfactory Graduate work	C	Work that is barely adequate as graduate-level performance	F	Work that is unsatisfactory	I	Incomplete work	ZF	An "I" that is not completed within one year of the end of the course is automatically converted to a "ZF". A "ZF" is treated the same as an F or NC for all cases involving GPA, academic warning, probation and dismissal.	W	Withdrawn from the course	96-100	A	90-95	A-	87-89	B+	84-86	B	80-83	B-	70-79	C	Below 70	F
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encouraged to use Passports for their research needs. Also, Passports is accessible from campus, home, or office using your student ID number, providing 24 hour access to:

- Library Catalogs and Collections
- Library Information
- Databases and Internet resources
- Forms and Help
- Connections to other sites

### **Absenteeism**

Students are expected to attend all class sessions. In the case of unavoidable absence, the student must contact the instructor. The student is subject to appropriate academic penalty for incomplete or unacceptable makeup work, or for excessive or unexcused absences. Generally, a student who misses more than one four-hour course period (per course) without a documented military or medical excuse and advance permission from the instructor should withdraw from the class. The University reserves the right to involuntarily drop enrolled students from classes that they do not attend. Student who do not attend all of the first class session or miss any part of a subsequent class session, who have not made prior arrangements with the instructor for being absent, will be dropped from the course.

### **Academic Impropriety**

Students enrolling in a graduate program at Webster University assume the obligation of conducting themselves in a manner compatible with the University's function as an educational institution. Misconduct for which students are subject to discipline may be divided into the following categories:

- All forms of dishonesty, cheating, plagiarism, or knowingly furnishing false information to the University. To avoid plagiarism problems and to conform to academic standards you must footnote or reference *anytime you refer to ideas that are not your own, i.e., ideas that were drawn from other sources.* To enable checking for academic dishonesty, students must be prepared to produce copies of all sources used in any paper upon request and all students are strongly encouraged to submit their work to [www.turnitin.com](http://www.turnitin.com) as a check against plagiarized work. Additionally, students may not submit a paper previously submitted for another course.
- Obstruction or disruption of teaching, research, administration, disciplinary procedures or other University activities or of other authorized activities on University or SCRA premises.

- Classroom disruption. Behavior occurring within the academic arena, including but not limited to classroom disruption or obstruction of teaching, is within the jurisdiction of Academic Affairs. In cases of alleged campus and/or classroom disruption or obstruction, a faculty member and/or administrator may take immediate action to restore order and/or to prevent further disruption (e.g., removal of student(s) from class or other setting). Faculty members have original jurisdiction to address the immediacy of a situation as they deem appropriate. When necessary and appropriate, law enforcement personnel may be contacted to assist with restoring peace and order. Faculty responses will be documented and forwarded to the academic dean for review and, if necessary, further action. Further action might include permanent removal from the course or dismissal from the University.
- Theft of or damage to property of the University.
- Leaving underage children unattended. Students may not leave their unattended children in the lobby area, at computer stations, in empty classrooms, nor may children attend a class with a parent.

Students who cheat or plagiarize on homework, tests, papers, or any other course requirement may receive a failing grade for the course in which the cheating or plagiarism took place. Ignorance of what constitutes plagiarism is not an excuse. Students who engage in any of the above misconducts may be subject to dismissal from the University on careful consideration by the executive vice president of the University or his designee. To the extent that penalties for any of these misconducts are prescribed by law, the University will consider appropriate action under such laws.

Students are subject to the Code of Conduct and Judicial Procedure described in the online Student Handbook.

**ADA Statement**

If any student has a documented disability and needs special accommodations, the instructor will work with the student and Webster University to provide reasonable accommodations to ensure the student a fair opportunity to perform in this class. Please advise the instructor of the disability and the desired accommodation within the first week of the term.

<b>Weekly Schedule:</b>	<b>Pre-Assignment for Week 1</b> <i>(see the pre-assignment at the Myrtle Beach Term Schedule site)</i>

SESSION 1	Chapter 3 Chapter 4	Financial Statements, Cash Flow, and Taxes Analysis of Financial Statements
SESSION 2	Chapter 14 Chapter 22	Financial Planning and Forecasting Working Capital Management <b>MIDTERM EXAM ON CHAPTERS 3,13,14,22</b>
SESSION 3	Chapter 2 Chapter 5 Chapter 6	The Time Value of Money Bond Valuation Risk and Return: The Basics
SESSION 4	Chapter 8 Chapter 11	Stocks and Their Valuation Basics of Capital Budgeting <b>FINAL EXAM ON CHAPTERS 2,6,4,7,10</b>