1. Course Information

Course Title: Corporate Finance
Course Section: N
Semester: Spring 2018
Room #: Strake 204
Delivery Mode: Hybrid

Course number: FINA 3339
Credit. Hours: 3
Prerequisites: ACCT 1341, ECON 1331, MATH 3332
Days & hours: MW 12:10pm-1:25pm

2. Instructor Information

Name: S. Gülfem Bayram, Ph.D
Office location: Welder Hall Room 203
Office phone: (713) 831-7232
Office hours: MW 10:30am-12pm
Th 3pm-7pm and by appointment only
E-mail: bayrams@stthom.edu

Where to leave assignments: Assignments should be submitted in soft copy format via BB. Please be aware that late assignments will only receive some portion of the total credit depending on how late they are. The number of late days on an assignment cannot exceed 3.

3. Course Catalog Description

Analysis of corporate use of financial markets and decision-making, with emphasis on stock and bond valuations and returns. The course further demonstrates corporate decision making in the areas of capital budgeting, corporate financial structure and dividend policy.

4. BBA Learning Goals and Objectives:

The Bachelors of Business Administration program has five goals. When students complete the BBA degree at the University of St. Thomas:

Goal 1. They will be able to communicate effectively.

Objective 1: Graduates will deliver a compelling oral presentation.
Objective 2: Graduates will demonstrate mastery of communication technology.
Objective 3: Graduates will write professional quality documents.

Goal 2. They will be adept at critical thinking.

Objective 1: Graduates will analyze problems in-depth.
Objective 2: Graduates will evaluate data thoroughly.
Objective 3: Graduates will present feasible solutions for problems.

Goal 3. They will be able to work effectively in teams.

Objective 1: Graduates will work collectively towards team objectives.
Objective 2: Graduates will demonstrate professional interpersonal relations with other team members.

Goal 4. They will be ethical decision makers.

Objective 1: Graduates will recognize the ethical issues implicit in a business situation.
Objective 2: Graduates will describe and use ethical frameworks applicable to business situations.

Goal 5. They will be knowledgeable about fundamental business issues and processes.

Course Learning Objectives:
1. Perform calculations of present and future values and rates of return on investments (Goal 2: Critical Thinking).
2. Compute the fundamental (intrinsic) value of a share of stock and relate the price computation to risk/return analysis using the capital asset pricing model (CAPM) (Goal 2: Critical Thinking).
3. Compute bond prices and bonds' yields to maturity (Goal 2: Critical Thinking).
4. Perform capital budgeting analyses using both the NPV and IRR and explain how capital budgeting relates to dividend policy (Goal 5: Knowledge).
5. Explain the principals involved in finding the optimal capital structure (amount of debt vs. equity) of a corporation (Goal 2: Critical Thinking).

6. Texts, Readings, Materials


ISBN-10: 1-305-63593-0

Required Online Source: All groups are advised to use Bloomberg Terminal that is located at UST Library to do their projects. Please make sure to attend the Bloomberg Terminal workshop that is offered by the UST Library.

Required financial calculator: A financial calculator is required for the course (Texas Instruments BAII Plus recommended and will be demonstrated in class). The BA II Plus does everything that is
required in the course but other calculators with similar capabilities are acceptable as well. You cannot share calculators with other students during exams. Make sure to learn how to use your calculator prior to the scheduled exams.

**Required software:** Since our class is designed as a hybrid course, we will be using Excel for some financial calculations. All students are required to have access to Excel to complete the required coursework and some assignments.

**Supplementary Readings:** *The Wall Street Journal, The Economist, Business Week*, and *Fortune* magazines.

I recommend and encourage you to read these magazines besides the required course materials. They will help you to relate topics covered in class to the real business world and enhance your class performance. From time to time, I may assign you to read articles from these sources.

**7. Instructional methods:**

This is a hybrid course. The course will require 35% of its activities online and that will include self-reading and other activities on Blackboard. In-class time will be devoted to lectures, discussions, problem solving, and Q&A sessions. Finance is a subject highly problem oriented. Assigned problems will be collected via BB. The solutions for the homework problems will be posted on BB regularly. We will discuss these solutions for the problems in class as our time permits. Active participation in class and online activities is encouraged and required. You will also be assigned a team project throughout the semester.

**Instructions for Online Chapters and Activities:**

Chapters 1, 2, 3, 6, and 7: You are responsible of reading and studying chapters 1, 2, 3, 6, and 7 from your textbook. You will also find power point files for each chapter on Blackboard. You can also utilize these files for studying purposes. Once you complete your reading and studying for each chapter, please make sure to:

**Activity 1:** Take the designated quiz for that chapter. Every quiz has a deadline that is indicated on BB. Once the quiz deadline passes, you will not be able to make up for the missed quizzes. You will not be able to pause and resume your quiz later. Once you start the quiz, you will need to complete it in one seating. Every quiz has 10 multiple choice/true false questions and you will have 30 minutes to complete these questions.

**Activity 2:** Make a post on the Blackboard Discussion Board. Each chapter has a discussion board question and you need to post your answer to the question before the deadline.
8. Course Tentative Schedule:

<table>
<thead>
<tr>
<th>Week</th>
<th>Days</th>
<th>Topic</th>
<th>Chapter</th>
<th>Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>January 22, 2018</td>
<td>Introduction to the Class</td>
<td>Ch. 1</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>January 24, 2018</td>
<td>An Overview of Financial Management</td>
<td></td>
<td>Online</td>
</tr>
<tr>
<td>2</td>
<td>January 29, 2018</td>
<td>Financial Markets and Institutions</td>
<td>Ch. 2</td>
<td>Online</td>
</tr>
<tr>
<td></td>
<td>January 31, 2018</td>
<td>Financial Statements, Cash Flow and Taxes</td>
<td>Ch. 3</td>
<td>Online</td>
</tr>
<tr>
<td>3</td>
<td>February 5, 2018</td>
<td>Financial Statements, Cash Flow and Taxes</td>
<td>Ch. 3</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>February 7, 2018</td>
<td>Analysis of Financial Statements</td>
<td>Ch. 4</td>
<td>In-class</td>
</tr>
<tr>
<td>4</td>
<td>February 12, 2018</td>
<td>Analysis of Financial Statements</td>
<td>Ch. 4</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>February 14, 2018</td>
<td>Review for the first exam</td>
<td></td>
<td>In-class</td>
</tr>
<tr>
<td>5</td>
<td>February 19, 2018</td>
<td><strong>WRITTEN EXAM 1!!</strong> Time Value of Money</td>
<td>Ch. 1,2,3,4</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>February 21, 2018</td>
<td></td>
<td>Ch. 5</td>
<td>In-class</td>
</tr>
<tr>
<td>6</td>
<td>February 26, 2018</td>
<td>Time Value of Money</td>
<td>Ch. 5</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>February 28, 2018</td>
<td></td>
<td></td>
<td>In-class</td>
</tr>
<tr>
<td>7</td>
<td>March 5, 2018</td>
<td>Interest Rates</td>
<td>Ch. 6</td>
<td>Online</td>
</tr>
<tr>
<td></td>
<td>March 7, 2018</td>
<td></td>
<td></td>
<td>Online</td>
</tr>
<tr>
<td>8</td>
<td>March 12, 2018</td>
<td>SPRING BREAK!!</td>
<td></td>
<td>No class!!</td>
</tr>
<tr>
<td></td>
<td>March 14, 2018</td>
<td>SPRING BREAK!!</td>
<td></td>
<td>No class!!</td>
</tr>
<tr>
<td>9</td>
<td>March 19, 2018</td>
<td>Bonds and Their Valuation</td>
<td>Ch. 7</td>
<td>Online</td>
</tr>
<tr>
<td></td>
<td>March 21, 2018</td>
<td></td>
<td>Ch. 7</td>
<td>Online</td>
</tr>
<tr>
<td>10</td>
<td>March 26, 2018</td>
<td>Review for the second exam</td>
<td>Ch. 5,6,7</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>March 28, 2018</td>
<td></td>
<td></td>
<td>In-class</td>
</tr>
<tr>
<td>11</td>
<td>April 2, 2018</td>
<td>Risks and Rates of Return</td>
<td>Ch. 8</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>April 4, 2018</td>
<td></td>
<td>Ch. 8</td>
<td>In-class</td>
</tr>
<tr>
<td>12</td>
<td>April 9, 2018</td>
<td>Stocks and Their Valuation</td>
<td>Ch. 9</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>April 11, 2018</td>
<td></td>
<td>Ch. 9</td>
<td>In-class</td>
</tr>
<tr>
<td>13</td>
<td>April 16, 2018</td>
<td>The Cost of Capital</td>
<td>Ch. 10</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>April 18, 2018</td>
<td></td>
<td>Ch. 10</td>
<td>In-class</td>
</tr>
<tr>
<td>14</td>
<td>April 23, 2018</td>
<td>The Basics of Capital Budgeting</td>
<td>Ch. 11</td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>April 25, 2018</td>
<td></td>
<td>Ch. 11</td>
<td>In-class</td>
</tr>
<tr>
<td>15</td>
<td>April 30, 2018</td>
<td>Group Video Presentations</td>
<td></td>
<td>Online</td>
</tr>
<tr>
<td></td>
<td>May 2, 2018</td>
<td></td>
<td></td>
<td>Online</td>
</tr>
<tr>
<td>16</td>
<td>May 9, 2018</td>
<td><strong>WRITTEN EXAM 2!!</strong></td>
<td></td>
<td>In-class</td>
</tr>
<tr>
<td></td>
<td>12pm-2:30pm</td>
<td></td>
<td></td>
<td>In-class</td>
</tr>
</tbody>
</table>

*The above schedule and procedures in this course are subject to change in the event of circumstances beyond the instructor's and department's control. Please notice that the instructor can make changes to the tentative course schedule anytime during the semester.*
9. Technology

Students are expected to be able to perform the following:
1) Online data retrieval and/or research on the World Wide Web;
2) Online communication or collaboration with each other;
3) Use of Microsoft Office programs to complete assignments;
4) Use of a calculator (regular and/or financial);
5) Use of Blackboard learning platform

10. Course Policies

1. You are responsible for all of the material discussed in class, assigned in the readings, and problems assigned for homework regardless of your attendance status. I will at times ask you to perform simple homework assignments in class. My purpose here is to see that you have some simple hands-on experience at global financial management. You may need to study additional assignments on the web.

2. Your regular attendance is strongly encouraged and mandatory. An important part of your final grade depends on your class participation which can only be achieved by regularly attending and contributing to the class.

3. Make up exams will not be permitted unless I am notified of your absence on an exam before the exam date. Make up exams from excused absences will be scheduled at a time mutually agreeable to the instructor and the student.

4. You should prepare for ALL regularly scheduled classes prior to class meeting. Also, you are expected to arrive on time and stay in class until the class period ends. If you know in advance that you will need to leave early, please notify me before the class period begins.

5. Comments and questions are encouraged to share with the whole class. Private discussion or chatting with your peers are discouraged and will be viewed as destructive for the learning environment. Please respect the class by not doing so.

6. Participation performance is determined by your contribution to the learning process in class. It includes, but not limited to, comments, personal insights, constructive questions, work experience, and answers to assignments and cases.

7. The use of cell phones and other electronic devices such as laptops, electronic reading devices, and smart phone features is discouraged during the class period. Unless for important reasons,
please try not to use it.

8. Your team’s consistent dedication for the group project is essential to complete the course successfully. Contribution of each team member to the project is expected and evaluated.

If you have special concerns about this class and the class policy, I encourage you to come and talk to me after class or during my office hours. This should be done in the first week of class to allow us time to work out a plan to fully address your concerns. After this time period, I assume that you agree to, and will abide by, the class policy.

**Attendance Policy**

Attendance is mandatory and expected. If you missed four or more class meetings, your course grade, at the instructor's discretion, will be reduced by one letter grade. If you missed more than four classes, at the instructor's discretion, the grade will automatically become an F.

11. **Student Evaluation Procedures:**

Grades of this class will be determined based on written exams, group project/presentation, peer evaluation, homework assignments, online quizzes, workshops, class and discussion board participations. There are three written exams and they will in total count for 50% of the total course grade. Group project, peer evaluation, homework assignments, online quizzes, workshops, class participation, and discussion board participation count for 15%, 5%, 10%, 7%, 3%, 5%, and 5% respectively.

**Written Exams**

There will be three written exams throughout the course. Each of the three exams will be worth the same points. However, the exam with the lowest score will be excluded from the final letter grade calculation. Chapters that will be included in each exam are clearly indicated in the tentative class schedule. Exams will contain some or all forms of multiple choice, short answer, and fill-in-the-blank questions as well as numerical problems. *It is mandatory to take all three exams.*

**Group Video Presentation**

Students are expected to make group presentations on financial analysis of rival corporations at the end of the semester. Students will work in teams consisting four students per group. Please submit a word file that consists of the names of the team members by **February 16, 2018** via BB. Each group will conduct a financial research on corporations and compare them to their industry and rivals.

Once the groups are formed on BB, students have to approach me to discuss and finalize their companies/industries with their groups **before February 23, 2018**. Students are to select from publicly traded corporations on major US stock exchanges (NYSE, NASDAQ, or AMEX). By this time, the teams must be formed, the companies/industries must be decided and requests will not be entertained.
beyond this date. Further details of this assignment will be provided in class. Group video presentations will be scheduled for the last couple weeks of classes. At the end of the semester, you will also be given a group members evaluation form. At the end of the semester, you will also be given a group members evaluation form. You will be asked to evaluate your group members’ performances during the presentation preparation. Then, each group member will have an average group contribution score that will be calculated based on the scores given to her/him by his/her peers. This score will affect 5% of your overall course grade. The presentations will also be evaluated by the instructor and will impact your overall course grade by 15%.

<table>
<thead>
<tr>
<th>Written Exams (Out of 3 written exams in the course, the lowest scored exam will be excluded from the final letter grade estimation.)</th>
<th>Each accounts for 25%*2=50%</th>
<th>93-100</th>
<th>A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group Project/Presentation</td>
<td>15%</td>
<td>90-92.9</td>
<td>A-</td>
</tr>
<tr>
<td>Peer Evaluation</td>
<td>5%</td>
<td>87-89.9</td>
<td>B+</td>
</tr>
<tr>
<td>Homework Assignments</td>
<td>10%</td>
<td>84-86.9</td>
<td>B</td>
</tr>
<tr>
<td>Online quizzes</td>
<td>7%</td>
<td>80-83.9</td>
<td>B-</td>
</tr>
<tr>
<td>Workshops</td>
<td>3%</td>
<td>77-79.9</td>
<td>C+</td>
</tr>
<tr>
<td>Class participation</td>
<td>5%</td>
<td>74-76.9</td>
<td>C</td>
</tr>
<tr>
<td>Discussion Board participation</td>
<td>5%</td>
<td>70-73.9</td>
<td>C-</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>60-69.9</td>
<td>D</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Below 60</td>
<td>F</td>
</tr>
</tbody>
</table>

**Homework Assignments**

There will be several problems and a movie assignment during the semester. It is imperative that each of you tries to solve all the questions and understands the solutions provided. The questions that will appear on exams will be very similar to those on the assignments. Homework will be assigned most weeks after class and will pertain to material covered during that week. I will be available during my office hours to help with homework problems assumed that you try to work it out by yourself first. Homework has to be submitted at the beginning of the class when it is due. Each student is required to do all the homework. Some questions from the homework may be discussed in class and input from
the students will count toward class participation. Students will be given credit points for all attempted homework at the end of the term. Late homework will be accepted with some restrictions. For each late day, 25% of the total points on the homework will be taken off and your homework assignment will be evaluated based on whatever percentage of the total is left after the late day punishment points taken off. Number of late days to submit a homework assignment cannot exceed 3. After the 3rd late day, a late homework assignment will not be accepted anymore. When submitting a late homework; you are required to indicate the number of late days at the top right corner of the first page of the assignment.

**Online Quizzes**

There will be five online quizzes, one after each online chapter. Each online quiz is worth 1.4% of the total course grade. These quizzes will have deadlines indicated on the Blackboard and students will not be able to take these quizzes after their due dates.

**Workshops**

**Small Tasks for Small Scores (3 Completed Activities = 3% of your grade)** In order to (1) bolster the student’s performance in courses in the business school and (2) better prepare students for their professions and careers after school, faculty in CSB set aside a small part of the total score in each course for small tasks/workshops. Each student is required to complete a minimum of three (three hours total) workshops. In doing so, CSB will provide numerous workshops for all students taking CSB courses (the complete list of workshops is available on BB). As can be seen in the list, the workshops are being offered by different academic support services on campus and the workshops on computer applications are being offered through an online provider (lynda.com).

- Workshops are being offered during the activity period and in the evening on weekdays in the Fall semester.
- In addition, workshops are being scheduled for two Saturdays in the Fall semester.
- Workshops are also being offered online via lynda.com.
- While the students have to complete a minimum number of workshops per semester, the same workshops could be used for various courses.
- Students need to attend a workshop lasting at least one hour to complete one activity. For instance, if a student decides to take a half hour session on Excel training via Lynda.com, she/he then needs to take an additional half hour session on something else to complete one required activity.

**About Lynda.com**

In order to access and complete online workshops on Lynda.com free of charge, you will need to follow the steps below:

1. Register for a FREE My Link Library (MLL) card from the Houston Public Library. You can visit UST local Houston Public Library (4100 Montrose Blvd, Houston, TX 77006) to fill out a form for the card or simply you can go online and access the link below to register and receive your My Link library card:
https://houstonlibrary.org/my-link-library-card-registration

2. Once you obtain a My Link library (MLL) card number, Please go to the link below and “Create a Profile” on Lynda.com using your card number:

https://www.lynda.com/portal/sip?org=houstonlibrary.org

You will be able to login to Lynda.com with your MLL card number and the password you created.

3. You can complete workshops on Lynda.com and save your completion certificates to submit me on Blackboard at the end of the semester to receive your workshops credits in the course.

Suggested Workshops on Lynda.com:

Excel 2010: Financial Functions
Excel 2007: Financial Analysis
Excel 2013: Financial Functions in Depth

All workshops must be completed by May 4, 2018 in order to receive full workshop credit in the course.

**Class Participation**

Participation to the class is a must for each student. I highly value student-peer-instructor interactions. Please come prepared for the classes and share/voice your comments and questions with the class. The following criteria will be used to judge and grade your participation performance:

- **Content Mastery:** The student makes evident by classroom comments and/or responses to questions, an understanding of the facts, concepts, and theories presented in the assigned readings and problems.
- **Communication Skills:** The student informs other students in a clear and constructive manner what he/she knows. Communication skills include listening to others and understanding what they have said, responding appropriately, asking clear, constructive questions, avoiding rambling discourses or class domination, building on the ideas of others, etc.
- **Synthesis/Integration:** The student shows the connections between this material and other material. For example, the student could take several ideas from the readings or class discussions and combine them to produce a new perspective on an issue, or the student could take outside materials (personal experiences, other classes etc.) and combine them to create insights.
- **Creativity:** The student shows further implications of the material by finding new ways of articulating or setting the materials which produce significant insights, etc.
Valuing: The student identifies values inherent to the material and offer rationales based on some value system.

**Discussion Board Participation**

There will be five online discussion board assignments, one after each online chapter. Each one is worth 1% of the total course grade. These discussion boards will have deadlines indicated on the Blackboard and students will not be able to post any discussion point after the due dates. Students will not be able to see others’ discussion points unless they finish their posts.

**Extra Credit Options**

Extra credit for extra work is always an option for students and it can count up to additional 2% of the total depending on the difficulty level of the extra assignment. If you would like to take on an extra assignment to make up for your lost credits, please send me an email on or before **April 20, 2018**. Only the requests made via email will be considered for extra assignment. Please also note that only students with attendance records of at least 85% of the full attendance throughout the entire Spring 2018 semester will have the right to exercise the extra credit assignment option. The deadline to turn in the extra credit assignment via BB system is **May 4, 2018**.

**12. Available Support Services:**

- **Tutorial Services Center (TSC)**
  The Tutorial Services Center offers assistance to all current UST students in a variety of content areas, including academic subjects, general concepts, and writing skills. Tutors are available anytime the center is open. The TSC offers on-site tutoring, online tutoring, and tutorial workshops. Office hours and schedules can be found at [http://www.stthom.edu/public/index.asp?page_ID=100289](http://www.stthom.edu/public/index.asp?page_ID=100289). Please contact the center at 713-525-3878 or tutoring@stthom.edu.

- **CSB Tutorials**
  The Cameron School of Business offers tutoring in business subjects. Please visit [http://libguides.stthom.edu/cameron](http://libguides.stthom.edu/cameron) (under the “CSB Tutorial Services” tab) for the most current tutorial schedule and available subjects.

- **Information Technology Services**
  The UST IT Solution Center offers assistance with technical issues related to general computer issues, software, email, passwords, MyStThom, and blackboard. Manuals, contact information, and discounted software and hardware purchase information may be found at [http://www.stthom.edu/Offices_and_Services/Information_Technology/Index.asp](http://www.stthom.edu/Offices_and_Services/Information_Technology/Index.asp).

**13. Other**

Drops: Please refer to a current University catalog for details. For fall and spring semester courses officially dropped through the 17th class day are not recorded on transcripts. From the 18th day and ending with the last day of the 9th week of each semester, official drops are recorded with a “W”, and
no grade is computed in GPA. Unofficial drops can result in an “F” for the course. The times differ for summer school classes.
Withdrawals: Students may officially withdraw from the University by completing the appropriate form from the Registrar’s office. A “withdrawal from the university” notice will appear on the transcript for that semester.

The Cameron School of Business at the University of St. Thomas

MISSION STATEMENT

Inspired by the Basilian Fathers’ motto of Goodness, Discipline and Knowledge, the Cameron School of Business provides a comprehensive, high quality, ethically oriented business education to a diverse student body enabling graduates to serve as leaders of faith and character in a global economy.

ACADEMIC HONESTY

Ethical conduct is essential to a community of scholars and students searching for truth. Anything less than total commitment to honesty and honorable conduct undermines the efforts of the entire community. Academic integrity lies at the very heart of any institution of higher learning. In the Cameron School of Business, students and faculty are expected to commit to a code that exemplifies each individual’s honor and integrity. Any conduct that violates this standard and betrays the respect of others is a matter of grave concern and, accordingly, is deemed unacceptable.

The tests/exams will be individual efforts. Student may work together on homework assignments, but must submit their own assignments.

The penalty for an incident of academic dishonesty is, at the discretion of the professor, either a mark of zero for the work in question or the grade of F for the course.

ACCOMMODATIONS

The University of St. Thomas abides by the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, which stipulates that no student shall be denied the benefits of an education “solely by reason of a handicap.” If you have a documented disability that may impact your performance in this class and for which you may require accommodations, you must be registered with and provide documentation of your disability to Counseling and Disability Services which is located on the second floor of Crooker Center. Contact Debby Jones or Rose Signorello at 713-525-6953 or 713-525-3162.
Any student with a documented disability needing academic adjustments or accommodations is requested to speak with me during the first two weeks of class. All discussions will remain confidential.