

**THEORY AND PRACTICE OF FINANCIAL MANAGEMENT, FIN 5053 – 583
COURSE SYLLABUS, SPRING 2015**

**Spears School of Business
Oklahoma State University**

Instructor: Joel Harper, Ph.D, CFA

Phone: (918) 594-8460 (Tulsa)

E-mail: joel.harper@okstate.edu

Office: North Hall 314 – Tulsa
Business 304 – Stillwater

Office Hours: Traditional office hours are Tuesday 10:30 - noon & Wednesday, 3:30 – 5:30pm. Office hours above can be available to distance learning students through the Web Chat feature in D2L if requested or by Skype. Additional office hours by appointment.

Distance Learning Support: Email: spearsdistance@okstate.edu Phone: 1-866-678-3933 or 405-744-4048

Technical Assistance for Video Lectures: http://ra.okstate.edu/stw_ssb/cepd/VideoHelp

Prerequisites: 5013 or equivalent and prior or concurrent enrollment in ACCT 5103 or equivalent. This class builds on the concepts, theories and applications in FIN 5013. Prerequisite may be waived by MBA director under their course waiver policy.

Required Materials:

Website: This course will use OSU's course management system Desire2Learn (D2L). Assignments, announcements, notes, and grades will be posted throughout the semester and it is the student's responsibility to check the website often. The web address is <https://oc.okstate.edu/>.

Texts: *Corporate Finance*, 10th edition, by Ross, Westerfield, and Jaffe (McGraw-Hill Irwin, ISBN: 978-007733762-9).

Financial Analysis with Microsoft Excel, 5th edition, by Mayes and Shank (Southwestern, ISBN: 1-439-04037-0). This text is optional

Excel and Calculator: Business or statistical calculator. Hewlett Packard 10B or Texas Instruments BA II plus are recommended. Financial calculator functions are useful, but the class emphasis will be financial concepts using spreadsheet.

Optional Materials: *The Wall Street Journal* (recommended), *The Economist*, *Barron's*, *Forbes*, *Fortune*, *Business Week*, and the study guide for the text. Business periodicals are a very

useful in recognizing and applying financial concepts in this class and to develop lifelong business literacy.

Course Communication: Questions of a general nature regarding assignment questions, problems, and other course information should be posted on the discussion board on D2L. When emailing, please identify your enrolled course (FIN 5053) and section (Distance Learning or 583).

Course Description Objectives and Learning Goals:

After completing the course, students will be able to:

Course Objective	Learning Goal
Analyze data to make appropriate investment decisions for the business	Decision Analyses and Critical Thinking
Assess risks involved in an investment decision and incorporate the risk into the investment decision	Decision Analyses and Critical Thinking
Assemble, interpret, and create financial models and reports in a concise and effective manner	Written Communication

Purpose: This class will build upon the cash flow and valuation concepts presented in 5013. In addition, we will be introducing and using Excel spreadsheets in addition to financial calculators to assist in the financial analysis. The main focus of this class will be in corporate investment and financing decisions, corporate valuation and wealth creation, and risk analysis. Topics in this class will include the cost of capital, capital budgeting, corporate valuation, capital structure and dividend policy. In addition, we will also look at forecasting and financial planning.

Class Structure: The class content is time released as well as completed assignment released. For example, most weeks will have the following structure:

1. On-line Quiz (time released)
2. Lecture (available following submission of quiz)
3. Topic Assignment (submitted through dropbox)
4. Discussion of Assignment (available following submission to dropbox)
5. Solution of Assignment (available following submission to dropbox)

Some weeks there will not be an on-line quiz or topic assignment.

The discussion board should be used to submit questions or comments about the lecture or topic assignments that are of a general interest to the class (not specific to an individual) as opposed to emailing question to the instructor. Each topic assignment and lecture will have an individual forum for questions.

Examinations: There will be two exams for the class. Each exam will be worth 100 points. Exams will be mostly objective. The exams will cover both conceptual and application topics. Exams are individual assignments and you may not share, collaborate, or in

anyway receive help or give help to fellow students. No Exceptions. Violation of this policy will be considered a violation of the university's academic integrity policy. Exams require the use of a proctor to disseminate exam information and files. Exams will be administered through D2L and students will be able to use Excel during the exam.

Online Quizzes: Prior to the class discussion of a topic, students will be required to take an online quiz covering the chapter/topic to be discussed. The quiz will be from the publisher provided test bank (covering topics only in the text chapters). The quiz will be timed, but you may use the text during the quiz. The two lowest quiz grades will be dropped and the remaining quiz grades will be averaged and be worth up to 30 points in the final grade (10 % of the course grade). The quiz is an individual assignment and should reflect your effort only. Students should not take the quiz together. Please see the academic integrity policy if you have questions.

Topic Assignments: In addition to the online quizzes, there will be frequent topic assignments reviewing quiz material, discussing conceptual and analytical problems in finance and generating solutions to longer problems. These assignments will be individual assignments and should be turned in to the discussion board before being able to review the discussion of the assignment. The lowest grade of your topic assignments will be dropped when computing the point total.

Mini-Cases: There will 2 mini-cases that each student will be required to complete. The cases are individual assignments and should represent individual solutions, work and effort. Each case will be worth 20 points and will cover topics that have been discussed and presented in the text, discussion and class lecture. More information concerning format and expectations will be given for each case when it is assigned.

Grading: The grade in the class is a grade for the entire semester. Therefore, only the final course grades will be curved, if needed. Individual tests and assignments will not be curved. There are 300 possible points, and grades will be determined as:

In-Class Exams (2)	200
Mini-Cases (2)	40
Online Text Quizzes	30
Topic Assignments	<u>30</u>
Total Points	300

A	85% or above	255 points and above
B	70% - 84.9%	210 to 254 points
C	58% - 69.9%	174 to 209 points
D	45% - 57.9%	135 to 173 points
F	below 45%	below 135 points

Extra Credit: Extra credit will not be given or considered.

Drop Policy: The official university policy will be followed. Be aware of these dates:
January 20, last day to drop the course with no record

April 10, last day to drop a course with an automatic “W”

April 24, last day to withdraw from the university and receive a “W” or “F”

To drop this course, contact the Registrar’s office, (405) 744-6876, or drop through SIS (Student Information Services).

Academic Integrity Policy: The university policy will be followed. Oklahoma State University is committed to the maintenance of the highest standards of integrity and ethical conduct of its members. This level of ethical behavior and integrity will be maintained in this course. Participating in a behavior that violates academic integrity (e.g., unauthorized collaboration on homework or assignments, plagiarism, multiple submissions of the same assignment, cheating on examinations, fabricating information, helping another person cheat, having unauthorized advance access to examinations, altering or destroying the work of others, and fraudulently altering academic records) will result in your being sanctioned. Violations may subject you to disciplinary action including the following: receiving a failing grade on an assignment, examination or course, receiving a notation of a violation of academic integrity on your transcript, and being suspended from the University. For more information, consult the university policy on the website at <http://academicintegrity.okstate.edu> and <http://academicintegrity.okstate.edu/ai-violation.htm>.

Students with Disabilities: If any member of the class believes that s/he has a physical, emotional, or psychological disability and needs accommodations of any nature, the instructor will work with you and the university Office of Student Disability Services to provide reasonable accommodations to ensure that you have a fair opportunity to perform in this class. Please advise the instructor of such disability and the accommodations as soon as possible. You will need to also contact the Student Disability Services office in order to receive accommodations. No accommodations will be made without prior notification

TENTATIVE SCHEDULE

Week No.	Week of	Chapter/Topic	RWJ 9th
1	January 12	Review of Security Valuation and Risk & Return	Chapters 8, 9, 10 & 11
2	January 19	Review of Cash Flow Estimation and Pro Forma Statements	Chapters 2 & 3
3	January 26	Cash Management and Budgeting	Chapters 26 & 27
4	February 2	Short-Term Asset Management	Chapters 27 & 28
5	February 9	Long-Term Financing	Chapter 15
6	February 16	Issuing Securities to the Public	Chapter 20
7	February 23	Cost of Capital	Chapter 13
8	March 2	Capital Structure	Chapter 16
9	March 9	Mid-Term Exam	
10	March 16	Spring Break	
11	March 23	Limits of Debt/Bankruptcy	Chapters 17 & 30
12	March 30	Dividend Policy	Chapter 19

13	April 6	Mergers & Acquisition	Chapter 29
14	April 13	Leasing	Chapter 21
15	April 20	Introduction to Options	Chapter 22
16	April 27	Option Extensions	Chapter 23
17	May 4	Final Exam	