

MARY BALDWIN UNIVERSITY
Business Administration Department

BUAD 209 - Financial Decision Making
Canvas Course
Summer 2020

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Note: Every effort will be made to respond to phone messages and email sent before 6 pm, however there is no guarantee that a response will be received by the student before the following morning.

COURSE DESCRIPTION (As Indicated in the MBU Academic Catalog):

Financial Decision Making provides an introduction to the concepts, problems, and applications of decision making as related to personal and corporate financial management. Specifically, the principles of time value of money, risk/return trade-off, stock and bond valuation, capital budgeting techniques and practices including cost/benefit analysis, capital structure, and working capital management are covered in the context of the triple bottom line.

COURSE OBJECTIVES:

By the end of the semester, students should be able to:

- Explain the key terms and concepts used in financial decision making;
- Explain the major ideas and processes that characterize financial decision making;
- Understand and demonstrate popular techniques in financial decision making;
- Discuss the advantages and disadvantages of using various techniques, and assess the most appropriate time for use;
- Recognize appropriate technological applications (e.g. those derived from available software) for use in financial decision making.
- Seek ethical options when employing financial practices;
- Understand financial decision making as it is integrated into the larger corporate structure.

To achieve these objectives, the course will include independent reading, exercises and a final exam.

PREREQUISITE:

BUAD 208

REQUIRED TEXT:

Stephen A. Ross., et al, *Fundamentals of Corporate Finance (11th edition)*, McGraw-Hill Education: New York, NY, 2016.
ISBN# 978-0-07-786170-4

Important Note: This is still a costly book in print due to its recent publication. Although other editions of the text are less expensive, the assignments you will be graded on are based on and/or are taken from this 11th edition. Absolutely no accommodation will be made for students ordering the incorrect edition. Students are encouraged to search www.amazon.com, www.chegg.com, www.textbooks.com or other related sites to find lower-cost copies. There are plenty available at online outlets, and please feel free to rent this text to save money - you will not need the online Access Code provided with brand-new copies. It is NOT recommended that you purchase any “international” version of this text.

Also, the instructor reserves the right to assign additional reading with adequate notice. Students may wish to regularly read one or more of the following: *Wall Street Journal*, *Business Week*, and *Fortune*. When applicable, informational articles will also be linked using the External Canvas feature.

DESCRIPTION OF REQUIREMENTS:

READING:

Assigned chapters in the text are listed on the course schedule. Written assignments will presuppose familiarity with topics treated in the text, so students should have read the indicated chapters before completing the assignment. Students are encouraged to utilize the resources provided on Canvas as extra study support.

LECTURE:

Despite being an online course, there is still the opportunity to provide some lecture material to supplement text readings. Students will be provided information on Canvas. When new information is posted, students will be sent messages, and are encouraged to review this material in a timely manner.

EXERCISES:

Students will be assigned SIX individual exercises throughout the course, which can take the form of a multiple-choice quiz, case study, or mathematical problems. The assignments are designed to help the student synthesize textbook information, and apply concepts to “real-world” problems or issues. Details for these will be provided as they coincide with text chapters, with ample time given for completion. Students can expect exercise responses to be 2-4 typed pages in length maximum. NOTE: Exercises MUST be completed in the order assigned, and are open-book.

FINAL EXAM:

Assignments completed throughout the semester will serve to prepare the student for one comprehensive final exam. The comprehensive final exam will be provided to the student once all exercises have been completed, and will consist of multiple-choice, true-false and/or short-answer questions. The Final Exam will be open-book.

STUDENT EVALUATION:

All of the learning activities discussed previously will be evaluated and factored into the course grade. In the calculation of the grade, these activities will be weighted as follows:

Final Exam

10%

Six Exercises (@15% each)

90%

At the end of the semester, the instructor will assign +'s and -'s using the grading scheme listed below. No automatic rounding of grades will occur, nor will there be any extra credit offered or guaranteed curve on any assignment. Students should strive to do their best right from the beginning of the semester.

93-100 = A	73-76.99 = C
90-92.99 = A-	70-72.99 = C-
87-89.99 = B+	67-69.99 = D+
83-86.99 = B	63-66.99 = D
80-82.99 = B-	60-62.99 = D-
77-79.99 = C+	59.99 and below = F

It is the student's responsibility to monitor his/her progress throughout the course. If the student has a question regarding the assignment of a grade, he/she should feel free to approach the instructor within one week of receiving the grade. Further, students should keep all returned graded work until the final grade is determined. In the case of a final grade dispute, and in the absence of any documented proof of the discrepancy, the instructor's grade book will be the determinant. Additionally, students who find themselves struggling at any point in the semester are encouraged to contact the instructor. Support is available, and students should not be shy about requesting assistance. Be advised, however, that the day before a major assignment is due is generally not the best time to ask for intensive help.

GENERAL POLICIES:

SEMESTER SCHEDULE:

The instructor reserves the right to change any part of the syllabus (readings, due dates for assignments, etc.) at anytime during the semester, and such changes are binding regardless of what is written in the syllabus. It is the student's responsibility to keep track of scheduled examination/assignment dates, any changes in these dates, and all other announcements made throughout the semester. Students can expect to be notified of changes through email and on the Canvas website.

CLASS COMMUNICATION: All class communications will be conducted using the MBU Canvas email and announcements features. Students are expected to monitor their Canvas listed email accounts, read any messages sent or posted by the instructor, and follow the specified directions. Students can expect to receive a weekly message, including upcoming due dates, assignments, etc. It is VERY important that these messages are read, and read in a timely manner. As more than one notification will be given, students remain responsible for whatever penalties that occur from either failure to read notices or failure to take action on them. NOTE: The instructor will not initiate email messages to any location other than the student's Canvas listed account. It is the student's responsibility to make sure that his/her email account is not "over quota." Further, if a student sends an email to the instructor from a non-Canvas account, his/her name should be written in the subject line for easier identification.

INFORMATION TECHNOLOGY:

All electronic work must be submitted using the following software applications: Microsoft Word, Access, Excel, and PowerPoint. Students using alternate formats such as PDF will not receive written feedback.

ASSIGNMENT DUE DATES:

The dates for all readings and major requirements are included in this document, and are listed with both a "SUGGESTED" due date and "FIRM" due date. Students are expected to stay on top of work and to hand items in early or on time. To be fair to all involved, it is NOT the instructor's policy to regularly accept late work, therefore students should plan ahead for possible problems. Any assignment not handed in by the "FIRM" due date is subject to a 10 point loss PER DAY the item is late. Students requesting extensions may be required to provide written documentation. All requests for extensions must be made by 9pm on the FIRM deadline.

Deadline extensions will not be given for longer than one week unless extreme conditions exist - simply being "busy" does not qualify as an extreme condition.

NOTE: Students are expected to email assignment responses by 11:59pm on the "FIRM" due date, and can expect to receive feedback usually within two weeks. Due to the volume of documents received at the FIRM deadline, grading is generally returned much quicker when the SUGGESTED schedule is followed/documents handed in early. If an assignment is late to the extent that it is not eligible to earn points, it will not be reviewed by the instructor. Additionally, the instructor will acknowledge receipt of a file within 24 hours. If a student has not received this confirmation, it is his/her responsibility to email the instructor in a timely manner. Failure to do so may result in late penalties.

ET REQUESTS

If a student is unable to complete all of the coursework during the current semester, he or she may request extra time (an ET) in order to finish the course most successfully. A request for an ET will only be approved provided that at least TWO Exercises have been completed prior to the request (unless there are special circumstances). Students should contact the instructor and an advisor as soon as the ET request is desired. Students are subject to the ET deadline set by MBU each semester.

USE OF WIKIPEDIA: The instructor does not recognize the website Wikipedia as a valid source for assignment citations. Students may utilize this site to gain preliminary definitional information and/or as a starting point for further research, however it is not to be used as a reliable source for any project and must not be quoted or paraphrased in any written material.

HONOR CODE:

All graded activities will be subject to the Mary Baldwin University's Honor Code. It is the student's responsibility to become familiar with and understand the provisions of the University's Honor Code and System, including students' rights and responsibilities. In particular, all individual assignments are to be completed solely by the individual student. If an individual has concerns or questions, those are to be addressed to the instructor **ONLY**. Further, the student has violated the Honor Code if he/she has attempted to represent the work of others as his/her own (this includes paraphrasing whether it be from a traditional paper source or on-line source). Any deviation of this policy is a violation of the Mary Baldwin University Honor Code. Any questionable activity will be reported to the Honor Council for investigation.

NOTE: Each written submission should contain the phrase "This work complies with the MBU Honor Code," with a typed signature of the student.

SUGGESTED CLASS SCHEDULE

The SUGGESTED class schedule below is very loosely constructed to allow for ample completion of topics. It is provided as a recommendation for working through the course in the most efficient and thoughtful way.

Students can expect to find Case Studies posted in Canvas by the start of each indicated week, if not sooner.

Week of May 26	Read Chapter One (Introduction to Corporate Finance) Read Chapter Two (Financial Statements, Taxes & Cash Flow)
Week of June 1	Read Chapter Three (Working With Financial Statements) Complete Exercise One Due Sunday, June 7
Week of June 8	Read Chapter Five (Introduction to Valuation ...) Complete Exercise Two Due Sunday, June 28
Week of June 15	Read Chapter Six (Discounted Cash Flow Valuation) Read Chapter Seven (Interest Rates & Bond Valuation)
Week of June 22	Read Chapter Eight (Stock Valuation) Complete Case Exercise Three Due Sunday, June 28
Week of June 29	Read Chapter Nine (Net Present Value ...) Complete Exercise Four Due Sunday, July 19
Week of July 6	Read Chapter Ten (Making Capital Investment Decisions)
Week of July 13	Read Chapter Thirteen (Return, Risk ...) Complete Exercise Five Due Sunday, July 19
Week of July 20	Read Chapter Sixteen (Financial Leverage ...) Read Chapter Seventeen (Dividends & Payout Policy)
Week of July 27	Read Chapter Eighteen (Short-term Finance and Planning) Complete Exercise Six Due Sunday, August 2
Week of August 3	Begin Work on Final Exam Due Friday, August 14
Week of August 10	Complete Final Exam Due Friday, August 14

FIRM CLASS SCHEDULE

The following are FIRM due dates for assignments - any late assignment is subject to a grade penalty. Students should email the instructor their completed document(s) by 11:59pm no later than the day listed.

All requests for extensions must be made by 9pm on the FIRM deadline.

Sunday, June 7

Sunday, June 28

Sunday, July 19

Sunday, August 2

Friday, August 14

Exercise One

Exercises Two and Three

Exercises Four and Five

Exercise Six

Final Exam