San José State University

School: College of Business
Department: Accounting and Finance
Course Number: Bus1 170
Title: Fundamentals of Finance
Section: 15 and 16
Semester: Spring
Year: 2016

Instructor: Debbie Abbott

Office Location: BT961

Telephone: 408-924-1341 (I'm rarely in my office, so please email me instead)

Email: deborah.abbott@sjsu.edu

Office Hours: Tues and Wed 4:30 – 5:30 pm, or other times via WebEx by appt.

Class Days/Time: Tuesday: 6:00 – 8:45 pm, Section 15
                Wednesday: 6:00 – 8:45 pm, Section 16

Classroom: BBC 107

Prerequisites: Bus 21, Econ 1A, Econ 1B, and Bus 90 with a minimum grade of “C” in each

GE/SJSU Studies Category: Finance

Canvas

Canvas contains lectures, homework solutions, prior exams, team projects:
https://sjsu.instructure.com/login

Login: 9 digit tower card ID
Password: SJSU Password

Canvas Quickstart Student Guide: http://guides.instructure.com/m/8470
About the Professor
Debbie Abbott has over twenty years of experience in high technology finance and marketing. She has consulted and worked for leading Silicon Valley companies. Debbie has been teaching Finance at San Jose State University since 2006. In addition, she currently works full-time as a senior marketing manager at Cisco Systems. Debbie is also the VP Finance for the Silicon Valley Chapter of the International Association of Business Communicators.

After receiving her MBA in Finance from UCLA, Debbie worked as a financial manager at Xerox for ten years where she was recognized for her financial forecasting and planning. She has also held senior marketing management positions at Xerox, Plantronics and Proxim and consulted for companies such as Charles Schwab, Symantec, Yahoo, Intuit and more.

This semester Debbie will be teaching two Bus 170 Finance classes. Debbie brings to her classes a solid understanding of finance fundamentals and its real world applications in corporate financial planning, pricing, market research, new product introductions, personal finance, and more. Plus, she views teaching one of the things she does for the "fun of it." Debbie has been designated a Master Teacher, in recognition of her teaching excellence, every year.

Lucas College of Business Mission Statement
We are the institution of opportunity in Silicon Valley, educating future leaders through experiential learning and character development in a global business community and by conducting research that contributes to business theory, practice and education.

Bus1 170 Course Description
The finance function and its relation to other decision-making areas in the firm; the study of theory and techniques in acquisition and allocation of financial resources from an internal management perspective.

Course Goals and Student Learning Objectives
Demonstrate an understanding of the role of Finance in a corporation, with emphasis on the theory and tools that are used to help company leaders make sound financial decisions. Learn how to ensure that the company has sufficient capital for operations, growth, and maximization of shareholder wealth. Demonstrate an understanding of how time value of money, risk, and diversification can contribute to good decision-making in business and to their own accumulation of wealth and financial security. Learn how to use Finance in many practical applications of everyday life.
Course Content Learning Outcomes (LO)
Upon successful completion of this course, students will be able to:
LO1 Demonstrate an understanding of financial analysis – CBPG #5. Critical Thinking
LO2 Demonstrate an understanding of time value of money - CBPG #5. Critical Thinking
LO3 Demonstrate an understanding of financial valuation - CBPG #5. Critical Thinking
LO4 Demonstrate an understanding of real asset valuation - CBPG #5. Critical Thinking
LO5 Demonstrate an understanding of risk & return - CBPG #5. Critical Thinking

Required Topics

<table>
<thead>
<tr>
<th>Topic</th>
<th>Lectures &amp; Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Financial Analysis</td>
<td>• Overview of Financial Management (Ch.1)</td>
</tr>
<tr>
<td></td>
<td>• Financial Statements and Cash Flows (Ch. 3)</td>
</tr>
<tr>
<td></td>
<td>• Analysis of Financial Statements (Ch. 4)</td>
</tr>
<tr>
<td>2. Time Value of Money</td>
<td>• Time Value of Money (Ch. 5)</td>
</tr>
<tr>
<td>3. Financial Valuation</td>
<td>• Bonds and Their Valuation (Ch. 7)</td>
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<tr>
<td></td>
<td>• Stocks and Their Valuation (Ch. 9)</td>
</tr>
<tr>
<td>4. Real Asset Valuation</td>
<td>• Cost of Capital (Ch. 10)</td>
</tr>
<tr>
<td></td>
<td>• Capital Budgeting (Ch. 11)</td>
</tr>
<tr>
<td>5. Risk &amp; Return</td>
<td>• Risk and Rates of Return (Ch. 8)</td>
</tr>
<tr>
<td></td>
<td>• Market and Company Profiles (Research)</td>
</tr>
</tbody>
</table>

Required Texts/Readings

Textbook and Financial Calculator

Financial Calculator: HP10bII+ (Bring your calculator to every class)
- Available at HP.com ($30); Amazon.com & Walmart.com ($33.49), Spartan Bookstore ($47), and other locations.
- Several students in my previous classes donated their calculators, so you may be able to borrow a calculator for the semester.

Textbook: Fundamentals of Financial Management, Concise 8th or earlier Edition
You have several options:
- Borrow a physical or pdf version of the 6th edition of the textbook from me.
- Purchase a used edition of the Concise 6th, 7th, or 8th edition from an online reseller. (These are often available for a few dollars):
  - Be sure the description says CONCISE


- If you must have a hardcover of the latest edition of the textbook, it is also available in Spartan Bookstore ($235)

**Library Liaison**

Ann Agee [ann.agee@sjsu.edu](mailto:ann.agee@sjsu.edu) is the liaison for students with library research questions.

**Course Requirements and Assignments**

SJSU classes are designed such that in order to be successful, it is expected that students will spend a minimum of forty-five hours for each unit of credit (normally three hours per unit per week), including preparing for class, participating in course activities, completing assignments, and so on. More details about student workload can be found in [University Policy S12-3](http://www.sjsu.edu/senate/docs/S12-3.pdf).

The class meets once a week. Homework is due at the beginning of class, and a quiz will be given each week, except on weeks with a midterm. In addition, students will complete and present one team project during the semester. Detailed information about the team project and weekly assignments are located at the end of the syllabus and are posted on Canvas.

[University policy F69-24](http://www.sjsu.edu/senate/docs/F69-24.pdf) states, “Students should attend all meetings of their classes, not only because they are responsible for material discussed therein, but because active participation is frequently essential to insure maximum benefit for all members of the class. Attendance per se shall not be used as a criterion for grading.”
# Grading Policy

## Grading Scale And Testing

<table>
<thead>
<tr>
<th>Points</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>200</td>
<td>50%</td>
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<tr>
<td>200</td>
<td>50%</td>
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<tr>
<td>40</td>
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<td>5</td>
<td>1%</td>
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<tr>
<td>500</td>
<td>125%</td>
</tr>
<tr>
<td>-100</td>
<td>-25%</td>
</tr>
</tbody>
</table>

**Total points available** 400 100%

*Midterms and final will include questions on the topics that the teams present*

**10 bonus points possible (Quiz + Participation)**

## Grade Percentile

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentile</th>
</tr>
</thead>
<tbody>
<tr>
<td>A+</td>
<td>Top 2 students</td>
</tr>
<tr>
<td>A</td>
<td>93 or above</td>
</tr>
<tr>
<td>A-</td>
<td>90-92</td>
</tr>
<tr>
<td>B+</td>
<td>88-89</td>
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<td>83-87</td>
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<td>D-</td>
<td>60-62</td>
</tr>
<tr>
<td>F</td>
<td>0-59</td>
</tr>
</tbody>
</table>

Spring 2016
Grading Rationale

A student’s performance is against the grading scale and not against those around him or her. Students have opportunities to increase their overall grades by participating actively in class to earn bonus points and by turning in all work.

Examination Procedures

All exams must be taken when scheduled! Make-up exams are generally not allowed. If you have an emergency and have to miss an exam, then you can simply drop that exam. However, your other midterm and all your final grades will be counted. The final exam is comprehensive and must be taken when scheduled. Contact me well in advance if you have a final exam conflict. No shows on the final exam will be given a 0 on the final exam.

University Policies

General Expectations, Rights and Responsibilities of the Student

As members of the academic community, students accept both the rights and responsibilities incumbent upon all members of the institution. Students are encouraged to familiarize themselves with SJSU’s policies and practices pertaining to the procedures to follow if and when questions or concerns about a class arises. To learn important campus information, view University Policy S90–5 at http://www.sjsu.edu/senate/docs/S90-5.pdf and SJSU current semester’s Policies and Procedures, at http://info.sjsu.edu/static/catalog/policies.html. In general, it is recommended that students begin by seeking clarification or discussing concerns with their instructor. If such conversation is not possible, or if it does not address the issue, it is recommended that the student contact the Department Chair as the next step.

Dropping and Adding

Students are responsible for understanding the policies and procedures about add/drop, grade forgiveness, etc. Add/drop deadlines can be found on the current academic year calendars document on the Academic Calendars webpage at http://www.sjsu.edu/provost/services/academic_calendars/. The Late Drop Policy is available at http://www.sjsu.edu/aars/policies/latedrops/policy/. Students should be aware of the current deadlines and penalties for dropping classes.

Information about the latest changes and news is available at the Advising Hub at http://www.sjsu.edu/advising/.

Consent for Recording of Class and Public Sharing of Instructor Material

University Policy S12-7, http://www.sjsu.edu/senate/docs/S12-7.pdf, requires students to obtain instructor’s permission to record the course and the following items to be included in the syllabus:
• “Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor’s permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material.”
  o Permission to record the class may be granted orally and will be in effect for the entire semester.
  o In classes where active participation of students or guests may be on the recording, permission of those students or guests should be obtained as well.
• “Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.”

Academic Integrity
Your commitment, as a student, to learning is evidenced by your enrollment at San Jose State University. The University Academic Integrity Policy S07-2 at http://www.sjsu.edu/senate/docs/S07-2.pdf requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The Student Conduct and Ethical Development website is available at http://www.sjsu.edu/studentconduct/.

Campus Policy in Compliance with the American Disabilities Act
If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Presidential Directive 97-03 at http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf requires that students with disabilities requesting accommodations must register with the Accessible Education Center (AEC) at http://www.sjsu.edu/aec to establish a record of their disability.
College of Business Program Goals
(Not all program learning goals are covered in every course)

1. Business Knowledge
   Understand basic business principles and demonstrate discipline-specific competencies as applied to local and global environments.

2. Communication
   Communicate ideas clearly, logically, and persuasively in oral and written format, using technology appropriately.

3. Ethical Awareness
   Recognize, analyze, and articulate solutions to ethical issues that arise in business.

4. Leadership, Teams and Diversity
   Comprehend the challenges and opportunities of leading and working in diverse teams and environments.

5. Critical Thinking
   Comprehend, analyze, and critically evaluate complex and unstructured qualitative and quantitative business problems, using appropriate tools and technology.

6. Innovation
   Recognize, analyze, and articulate strategies for promoting creativity and innovation.
Team Project
Every day business managers deal with challenges for which there is no simple “right” answer. To address these challenges, businesses commonly pull together teams to recommend a solution. These teams typically undertake a multi-step process that involves:

- Identifying the problem through research and analysis
- Brainstorming and evaluating alternatives
- Narrowing alternatives to the one(s) that satisfy key business objectives
- Developing a recommendation and rationale for that recommendation
- Concisely and clearly presenting that recommendation to senior management
- Working with other people with diverse styles and personalities

Team Assignment
To help prepare you for these types of business world experiences, you will participate in a team assignment to evaluate a current financial issue that impacts companies. (See list below.) Your team will need to research the issue, identify different responses that companies or individuals may take, explain the implications of those responses and provide real world examples.

Team Structure
Each student will sign up for a team on the first week of class. The teams will bid on the assignments they wish to do. In the event that two or more teams want a particular topic, we will use a tie-breaking technique, such as a coin toss to decide the winner.

Your team can be an important part of the fun in the class. You will collaborate with your team on the team project, quizzes and participation.

Firing a Team Member
The team has the right to fire a team member who does not contribute fully to the team. Firing a member requires the approval of the majority of the other team members.

If You Are Fired
If you are fired by your team, you will become a team of one. That means you must prepare a team project by yourself, including a PowerPoint and a 10-15 minute presentation. You will make your presentation to me during my office hours. I will select a team topic for you to report on. You must also take the team quizzes by yourself and be the scribe for your team of one.
Participation Points

During each class, you can earn participation points by:
   a) Supporting your team by participating in team activities (0.5 point)
   b) Answering or asking up to two questions from instructor (+0.5 point each)
   c) Presenting during your team presentation (+0.5 point)
   d) Being the scribe* and tracking your team’s participation points (+0.5 point)
   e) Attending a review session (+0.5 point per session)

*Scribes must:
   a) Keep an accurate record of participation
   b) Note members who are absent
   c) Turn in participation sheets at the end of each class

The scribe can be the same or different each week. Most teams rotate the scribe role to ensure that each team member has the same opportunity to earn participation points.

If I do not agree with the level of participation recorded, I reserve the right to adjust the participation points.

Team Quizzes and Participation Points

<table>
<thead>
<tr>
<th>Type</th>
<th>Points/Wk</th>
<th># Weeks</th>
<th>Total Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required Quiz + Participation Points</td>
<td></td>
<td></td>
<td>35</td>
</tr>
<tr>
<td>Bonus Points</td>
<td></td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>Maximum Quiz + Part. Points</td>
<td></td>
<td></td>
<td>45</td>
</tr>
</tbody>
</table>
## Team Topics

### Financial Crisis
What is the financial crisis? (It is sometimes referred to as the 2008 Financial Crisis, the Global Financial Crisis or the 2007-2012 Financial Crisis). Why did it occur?

What actions did the U.S. government take to address the crisis? Some things you may consider are “too big to fail” banks, Federal Reserve actions, and legislation. Are we out of the crisis?

What impacts has the crisis had on consumers, businesses, investors and new college graduates?

### Stock Options
**Definitions and comparisons**

What are stock options? Compare put stock options, call stock options, and employee stock options. How does each of these types of stock options work? How does each of these types of stock options vary in risk?

**Employee Stock Options**

Why do companies issue employee stock options? How have some Silicon Valley employees been able to sell their stock options before their companies go public? In what year were companies required to expense stock options? How has that changed companies’ practices? Are companies issuing more or fewer stock options than before they were required to expense options? What are Restricted Stock Units and why are some companies offering these to employees instead of employee stock options?

**Backdating**

What is employee stock option backdating? When is backdating employee stock options legal? Illegal? Name executives from 3 companies that have been charged with illegal backdating. (Apple, Brocade, United Health, KB Homes, Monster Worldwide, McAfee are a few examples of companies where backdating cases were prosecuted). Were they convicted or exonerated? (Be sure to do a thorough search. At least one case went to court several times.)

In the team’s opinion, should any or all of the three types of stock options be part of an investor’s portfolio? What are the benefits and risks?

### Oracle of Omaha – Warren Buffett

Who is the Oracle of Omaha and why is he called that? What are some memorable ways he has described future market trends (right and wrong)? What is his investment approach? Give examples of how he spotted investment opportunities that others overlooked and become a billionaire in the process. What are some of his failures? What can we learn from him about investing? About risk-taking? What do you think will happen to Berkshire Hathaway, the conglomerate he has run for 50 years, when he is no longer running it? Can his success be continued by his team or is there something unique about him that can’t be easily replicated?
### Careers in Finance and Accounting

Interview six people in different finance or accounting careers. Some possible careers are cost accountant, tax accountant, CPA, auditor, certified financial planner, corporate financial analyst, investment analyst, investment banker, stock broker, CFO, treasurer, etc.

For each career, what are the roles and responsibilities? What qualifications are required (education, experience, exams, certifications)? What does it take to be successful in that career? What are the pluses and minuses of that career?

Do secondary research to determine:

1) What is the pay range possible for each of these jobs?
2) Are career prospects for finance and accounting graduates good? Why?

### Personal Finance

#### Decision Making

What should people consider when making financial decisions about:

- Major purchases such as cars and houses?
- Saving/investing for long-term goals?

How can knowledge of time value of money help with investing and purchase decisions?

#### Retirement Savings

What are traditional IRAs, Roth IRAs and 401Ks? Compare the advantages and disadvantages of each. What types of investments can be included in these retirement savings plans? What types of investments are excluded? When should someone start saving for retirement? Why?

#### Top 10 Tips Countdown

What are your team’s “Top 10 Tips for Managing One’s Personal Finances”? Why? How does your advice compare to that of at least one personal finance expert (e.g., Suze Orman, Robert T. Kiyosaki, Jim Cramer, David Bach, Dave Ramsey, etc.)?

### Insider Trading

What is it? When is it legal? Illegal? Who is considered to be an “insider”? What are some real world examples of legal and illegal insider trading? Why does insider trading matter? What steps should investors and company employees take to avoid illegal insider trading? Are the rules about insider trading the same throughout the world? What are the implications of legal and illegal insider trading on a company and on its investors?

### Start-up Financing

How does a fledgling company get started financially? What is bootstrapping? Venture capital? An IPO? A bank loan or line of credit? What are the advantages and pitfalls of each type of financing? When would a company turn to each of these, as an early, mid-stage start-up or late-stage start-up? How do real world companies get started? Include at least one detailed example of an actual company’s financing from the time of formation to when they became a publicly traded company. You must explain how they funded their operations in each of the three stages. What is the impact of access to financing for start-ups on the economy?
## The World Is Flat
What does Thomas Friedman mean when he says “the world is flat”? What are the 10 flatteners? Examples? What does that mean for workers and companies in the US and other parts of the world?

Do you agree with Thomas Friedman’s ideas? Why?

Research two U.S. manufacturing companies:
- One that has moved manufacturing to a company in another country
- One that is continuing to manufacture in the U.S.
- Explain why each has taken a different approach to where it manufactures products. Is this consistent with Friedman’s ideas?

It used to be that only manufacturing jobs were offshored. Now some highly skilled jobs are being offshored. Name at least three professional jobs that could be done by workers in another country and three that would be difficult to offshore. What are the characteristics of these types of jobs?

Consider your own potential careers. Are you preparing yourselves for a career that is likely to be outsourced? Explain your rationale.

## Ethical and Unethical Behavior
What is difference between ethical behavior and unethcical corporate behavior?

**SOX**
What was the unethical behavior that led to the Sarbanes Oxley Act (SOX)? Who were harmed? Was SOX successful at addressing the problems? What are the criticisms of this act?

**Ethical Scandals**
Discuss two other examples of unethical or controversial behavior that has impacted a business or investors this year. What was the behavior that was unethical or controversial? What was the impact on the business or investors? What were the consequences for the “perpetrators”?

**Ethical / Social Responsibility**
What are examples of ethical / socially responsible companies? What makes them ethical? Does it help or harm businesses’ financial results to be socially responsible?

**Investing**
Would you invest in companies that you believe harm or could harm people in some way, such as:
- Unhealthy products (sell tobacco, soft drinks or high-fat foods; have sold tainted or recalled products)
- Unsafe working conditions (coal mining, blood diamonds, child labor; long hours)
Where would you draw the line?

**Personal Ethics:**
What does it mean to be an ethical person? Cheating on taxes, exams, relationships, etc., seems to be rampant. Is this a problem? Why or why not?
**PowerPoint Requirements**

1. The first slide will show the title of your presentation. In the Subtitle on three separate lines, include the 1) date, 2) names of the group members, 3) your class and section number.

2. The presentation should include the following slides:
   - Agenda or introduction
   - 10-20 content slides
   - Conclusion
   - 2 questions for the exam
   - Q&A (questions from the class for the team)
   - References
   - Roles and Responsibilities (table of who did what on the project)
   - You may include additional slides if they are needed to fully answer all of the questions.
   - However, if the content is too much to present in the 15-minute limit, you may move slides to back-up or move some content to the notes section. You can always inform the class that there is more information in the notes or back-up sections. You can also offer to discuss this during Q&A time.

3. **Include your full content in the notes section of each slide. This must be in your own words. If you incorporate other people’s ideas, facts or graphics, you must cite the source of this.**

4. Guidelines for creating your PowerPoint presentation:
   - The PowerPoint must be professional looking and free from grammatical and spelling errors
   - Use a subtle background
   - Make sure that the text contrasts with background and is readable from the back of the classroom
   - Put your main idea in the header of each slide
   - Use 3-6 supporting bullets in the body, usually no more than 6 words per bullet
   - Avoid long sentences. When you give your presentation, you can fill in the details verbally.
   - Include facts or ideas that you want your audience to remember
   - Graphics can help illustrate your ideas and make your presentation more interesting
   - Use a sans serif font such as Arial.

5. Submit your PowerPoint presentation both on paper and electronically. The paper version should be **printed as a handout or notes version.** If possible, email your PowerPoint file the night before your presentation or upload it to Canvas and add a comment.

**Oral Presentation**

Each presentation should be 10-15 minutes, NOT including the Team Questions or Questions and Answers discussions. Be sure to rehearse your presentation as a team before you present to the class. Each team member is expected to present.
Evaluating Your Team Members’ Contribution

- **Team Score: 40 points possible**  (Scores typically range between 30 and 40 points; see the Team Project Checklist posted on Canvas for the grading rubric)

- **Your Score: Team Score * % Individual Contribution**
  Example: If your team earns 35 points on their project, and if an individual team member earns an average rating of 90% from the other team members, then that team member will receive 31.5 points on the team project (35 points x 90%).

- **Individual Contribution**

  **How Individual Contributions Are Determined**
  You and each of your team members will independently rate the level of contribution of the members of your group from 0 to 100%. Each team member submits their evaluation to me confidentially on the due date. This rating is to assure that all members participate equitably.

  Before starting the project, the team should discuss and agree on what it means to fully contribute to the team project.

  100% contribution means that the person evaluated contributed 100% of what was **agreed by the team**. This may include such things as:
  - Delivered complete and high-quality content on slides and notes
  - Submitted content in own words (no cut & paste; no plagiarism)
  - Acknowledged/cited others’ ideas/graphics on slides/notes
  - Met deadlines set by team
  - Participated in team discussions (remotely or in person) and responded to team communications
  - Contributed to the development of the team’s recommendations and point of view and helped to resolve discrepancies
  - Practiced with the group to ensure that the overall presentation ended on time and did not go over allotted time

  The contribution rating does NOT include your personal feelings about that person. Not everyone has to contribute the same amount to get 100%, IF that is what the team agrees.

  If you rate someone less than 100%, please cite the reason. It will impact his/her grade. I will not lower someone’s grade without a clear reason.

  **All evaluations must be received before your team can receive a grade on the assignment.**

<table>
<thead>
<tr>
<th>100%</th>
<th>Team member contributed fully as agreed to by the team; deserves 100% of the overall team grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 99%</td>
<td>Team member contributed only x% of what was agreed by the team; deserves x% of the overall team grade</td>
</tr>
</tbody>
</table>
Homework Assignments

Homework must be complete and turned in by 6:05 pm on the date due. You may submit electronically in Canvas or by paper copy in class. There are 11 homework assignments, worth 2.0 points each, up to a maximum of 20 points. So you can miss one homework assignment and still earn the full 20 points for homework.

If there is an Excel template for the assignment posted on Canvas, then the homework problems must be done using that template. You must use formulas or graphs (depending on the assignment) to complete the assignment. The purpose of the assignment is to use Excel to solve financial problems (an important business skill.). You will NOT receive credit for Excel assignments that are hand written.

You may do all your homework problems in Excel if you choose. To turn in homework done on Excel:

- Electronic file: Upload it to the assignment on Canvas
- Paper: Format your spreadsheet so it prints out on 8.5 x 11 paper and can be read easily

At the beginning of each class, we will discuss 4 of the assigned problems that the class feels were most difficult. After that there will be a team quiz. If you do not do the homework, you may find the team quiz difficult.

The following assignment is counted differently:

- Goals Photo (Student must turn in goals by due date and must assess their progress at end of course to receive 5 points)

Assignments by textbook edition:

- 8th ed: Refers to 8th Concise Edition
- 7th ed: Refers to 7th Concise Edition or SJSU Bus 170 7th edition textbooks
- 6th ed: Refers to 6th Concise Edition or SJSU Bus 170 2nd edition textbooks

Note: Homework assignments may include questions and problems from the following three sections: Self-Test, Questions and Problems.

<table>
<thead>
<tr>
<th>T</th>
<th>W</th>
<th>Topic</th>
<th>Homework Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/2</td>
<td>2/3</td>
<td>• About this Class &amp; Teams</td>
<td>Reminder: Turn in Goals + Photo this week or next week</td>
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<td></td>
<td></td>
<td>• Lecture: Ch. 3 Part 1 – Financial Statements</td>
<td>All Editions: Read Ch. 3 except sections on MVA, EVA and income taxes</td>
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<td>Homework due</td>
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<td>2/9</td>
<td>2/10</td>
<td>• Ch. 3 Homework I</td>
<td>8th ed: ST-1 a, b, c; Problems 3-2, 3-4, 3-8, 3-14</td>
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<td>• Team Quiz</td>
<td>7th ed: ST-1 a, b, c; Problems 3-2, 3-4, 3-7, 3-13</td>
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<td>• Lecture: Ch. 3 Part II – Cash Flows</td>
<td>6th ed: ST-1 a, b, c; Problems 3-1, 3-3, 3-4, 3-8</td>
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</table>
| 2/16 | 2/17| - Ch. 3 Homework II  
- Team Quiz  
- Lecture: Ch. 4 – Analysis of Financial Statements | **Last Day to turn in Goals + Photo**  
**Homework due**  
**Use Ch 3 Part II Excel Template, 4 problems, one per worksheet tab:**  
ST-2, 3-11, 3-13, 3-17  
Problem numbers may be different than in your text; do all parts shown  
The purpose of this assignment is to practice/build your excel skills. To get credit, you must use excel formulas to solve the problems.  
**Read Ch. 4** |
| 2/23 | 2/24| - Ch. 4 Homework  
- Team Quiz  
- Lecture: Ch 5 – Time Value of Money | **Homework due** (can submit on paper + Excel or all on Excel)**  
8th ed:  
Questions: 4-2, 4-3, 4-6, 4-9, 4-12 a, f, h, i, m, q, s; IQ*  
Problems: 4-1, 4-2, 4-3  
Excel Template: Problem 4-23**  
7th ed:  
Questions: 4-2, 4-3, 4-6, 4-9, 4-11 a, f, h, i, m, q, s; IQ*  
Problems: 4-1, 4-2, 4-3  
Excel Template: Problem 4-22** (do all parts)  
*IQ = Instructor Question; see Canvas  
**Note: Use the excel template; problem #23 for 8th ed. & #22 for other editions.  
**Read Ch. 5** |
| 3/1  | 3/2 | - About the Midterm  
- **Team 1 presents**  
- Ch. 5 Problem Set I  
- Team Quiz  
- Lecture: Ch. 5 - Time Value of Money Part II | **Homework due**  
**All editions:**  
Ch. 5 Self Test ST-1c,e,f,g,j  
Problems 5-1, 5-2, 5-3, 5-4, 5-5, 5-6, 5-14, 5-15 |
|      |     | **Review**  
**3/5**  
**3/7** | **Optional review sessions**  
Sat 10 am – 12 pm, room TBD  
Mon 4:00 – 5:45 pm, room TBD | - Review MT1 Fall15A  
- Review MT1 Spr15A |
| 3/8  | 3/9 | **Midterm Exam**  
- Chapters 3,4, 5 Part 1  
- Team Topic 1 | **Study for exam** |
<table>
<thead>
<tr>
<th>T</th>
<th>W</th>
<th>Topic</th>
<th>Homework Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/15</td>
<td>3/16</td>
<td>• Midterm results</td>
<td>Homework due</td>
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<td>• <strong>Team 2 presents</strong></td>
<td>All editions:</td>
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<td></td>
<td>• Ch. 5 / 2 Problem Set II</td>
<td>Questions 5-4 and 5-7</td>
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<td>• Team Quiz</td>
<td>Problems 5-8 (use template)*, 5-7, 5-20, 5-23</td>
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<td></td>
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<td>• Lecture: Ch. 7 Bonds</td>
<td>*Solve problem 5-8 on excel and create an amortization table for all 60</td>
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<td>months of the loan that shows monthly payments, interest payments, principal</td>
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<td>repayments, and beginning and ending loan balances.</td>
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<td>Read Ch. 7</td>
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<td>3/23</td>
<td>3/24</td>
<td>• <strong>Team 3 Presents</strong></td>
<td>Homework due</td>
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<td></td>
<td>• Ch. 7 Problem Solutions</td>
<td>8th and 7th ed.: Question 7-8 and</td>
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<td>• Team Quiz</td>
<td>Problems 7-2, 7-3, 7-4, 7-5, 7-11, 7-13</td>
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<td>• Lecture: Ch. 8 Risk and Rates of Return</td>
<td>6th ed.: Question 7-7 and</td>
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<td>Problems 7-2, 7-3, 7-4, 7-5, 7-11, 7-13</td>
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<td>Read Ch. 8</td>
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<td>3/29</td>
<td>3/30</td>
<td>• Spring Break</td>
<td>No Classes</td>
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<td>4/5</td>
<td>4/6</td>
<td>• About the Midterm</td>
<td>Homework due</td>
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<td>• <strong>Teams 4 and 5 Present</strong></td>
<td>Ch 8 Self Test ST-3</td>
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<td>• Ch. 8 Problem Solutions</td>
<td>Problems 8-3, 8-5, 8-9</td>
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<td>• Team Quiz</td>
<td>Ch. 8 Excel template* Problems 8-1, 8-22</td>
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<td>• Lecture: Ch. 11 Capital Budgeting</td>
<td>*You must use template (and add formulas) for these 2 problems; you may</td>
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<td>add the other problems to this excel template, if you like.</td>
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<td>Read Ch. 11 except MIRR &amp; Payback Period</td>
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<td>Review</td>
<td>4/9</td>
<td>Optional review sessions</td>
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<td></td>
<td>4/11</td>
<td>• Sat: 10 am – 12 pm, room TBD</td>
<td>• Review MT2 Fall15A</td>
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<td>• Mon 4:00 – 5:45 pm, room TBD</td>
<td>• Review MT2 Spr15A</td>
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<td>4/12</td>
<td>4/13</td>
<td><strong>Midterm II Exam</strong></td>
<td>Study for Exam</td>
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<td>• Chapters 5 Part II, 7, 8</td>
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<td>• Team Topics 2, 3, 4 and 5</td>
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<td>Topic</td>
<td>Homework Due</td>
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<td>4/19</td>
<td>4/20</td>
<td>• Team 6 Presents</td>
<td>Homework Due</td>
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<td>• Ch 11 HW Solutions</td>
<td>Ch 11 Self Test ST-2 all parts (NPV &amp; IRR only)</td>
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<td>• Team Quiz</td>
<td>Problem 11-7 all parts (NPV &amp; IRR only)</td>
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<td>• Lecture: Ch. 9 Stocks</td>
<td>Read Ch. 9</td>
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<td>4/26</td>
<td>4/27</td>
<td>• Team 7 presents</td>
<td>Homework Due</td>
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<td>• Ch 9 HW Solutions</td>
<td>Problems 9-2, 9-3, 9-4, 9-5, 9-6, 9-11, 9-13, 9-15</td>
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<td>• Team Quiz</td>
<td>Read Ch. 10</td>
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<td>• Lecture: Ch. 10 Cost of Capital</td>
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<td>5/3</td>
<td>5/4</td>
<td>• Team 8 presents</td>
<td>Homework Due</td>
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<td>• Goals assessment (in class)</td>
<td>Ch 10 Self Test ST-2</td>
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<td>• Ch. 10 HW</td>
<td>Problems 10-1, 10-2, 10-3, 10-4, 10-6, 10-8, 10-9, 10-11</td>
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<td>• Team Quiz</td>
<td>Goals assessment (in class – remaining 2.5 points of this 5-point assignment)</td>
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<td>• Chapter 1 Lecture</td>
<td>Reminder: Complete your SOTES online (so you can see your final grade on mySJSU earlier)</td>
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<td>• Review key concepts</td>
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<td>• Grade what-ifs (after class or by email)</td>
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<td>5/10</td>
<td>5/11</td>
<td>• Interest Rates and Stock Market Performance</td>
<td>Homework Due</td>
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<td>• Review Final Fall15A</td>
<td>Interest Rates and Stock Market Performance assignment (excel template)</td>
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<td>5/17</td>
<td>5/18</td>
<td>Final</td>
<td>Comprehensive final on Ch 1, 3-5, 7-1</td>
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<td>Tues - Early Option (Dead Day)</td>
<td>Teams 6, 7 and 8 topics</td>
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<td>Wed (Regular Time)</td>
<td>Interest Rates and Stock Market Performance</td>
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<td>Questions: 5:15 – 6:00 pm</td>
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<td>Final Exam: 6:00 – 8:15 pm</td>
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<td>5/24</td>
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<td>Final – Tues (Regular Time)</td>
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<td>Questions: 5:15 – 6:00 pm</td>
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<td>Final Exam: 6:00 – 8:15 pm</td>
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