Instructor: Edward Webb

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Email: edward.webb@sjtu.edu; edwardswebb@comcast.net (please use both)

Office Hours: Wednesdays 5:00 – 6:00

Class Days/Time: Wednesdays 6:00 – 8:45

Prerequisites: BUS 21 or BUS 122A, ECON 1A, ECON 1B and BUS 90

**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 Texts/Readings

Textbook

*Fundamentals of Financial Management*, Brigham & Houston,  (Try to find the 7th Edition – buy used on Amazon)

Other equipment:

**Financial calculator is MANDATORY.**

Classroom Protocol

Consistent attendance to class will be the largest determinant of your success in this course. Attendance will not be taken. Homework will be assigned every week (it is suggested strongly that you complete each assignment). You should read the assigned chapter prior to class. If you find yourself falling behind or you are having problems with the material, I encourage you to reach out to me by e-mail or telephone.

Drop/Add

Students are responsible for understanding the policies and procedures about add/drops, academic renewal, etc. Information on add/drops are available at

http://www.sjsu.edu/advising/faq/index.htm#add

Information about late drop is available at http://www.sjsu.edu/aars/policies/latedrops/. Students should be aware of the current deadlines and penalties for adding and dropping classes.

Assignments and Grading Policy

There will be two midterm exams given during the semester. Each midterm will focus on the material covered during the specific exam period, but may require integrating theory or techniques from an earlier section. The Final Exam will be fully comprehensive. All exams are closed book, but one 8x11.5 sheet (both sides) is permitted for formulas or other prompts. **THE POLICY OF THIS CLASS IS THAT NO MAKE-UP EXAMS ARE PROVIDED TO ANYONE FOR ANY REASON.** Seriously, don't ask, it will not happen. Extra-credit work may be assigned periodically. As a reminder - a financial calculator will be necessary for all quizzes and exams.
Grading:

Projects and Participation
There will be one “special assignment” during the semester. The criteria for grading the project will be discussed at the time of the assignment. Points will also be awarded for class participation, which includes your preparation and an active demonstration of your engagement with the material – including homework assignments. Quizzes may be given periodically – sometimes unannounced. Projects and Participation represent 25% of your final grade.

Midterms (Probably 3)
Each midterm exam will include questions requiring an ability to apply the class topics to actual problems. They are specific to the chapters and subjects as outlined in the schedule. You may drop the lowest of your midterm grades in calculating your final Midterm grade. Midterms represent 40% of your final grade.

Final
The final exam format is similar to the midterm exams but it is fully cumulative. The Final Exam is worth 35% of your final grade.

At the end of each midterm or the final you will turn in your test sheets (and answer sheets if appropriate). If the test sheets (with your name on them) are not received you will not receive credit for the exam.

Final grades for the course are based on the distribution below following a standard 100 percent scale:

- A+ (98-100), A (94-97), A- (90-93)
- B+ (87-89), B (83-86), B- (80-82)
- C+ (77-79), C (73-76), C- (70-72)
- D+ (67-69), D (63-66), D- (60-62)
- F (59 and below)

University Policies

Academic integrity
Students should know the University’s Academic Integrity Policy that is available at http://www.sa.sjsu.edu/download/judicial_affairs/Academic_Integrity_Policy_S07-2.pdf
Your own commitment to learning, as evidenced by your enrollment at San Jose State University and the University’s integrity policy, require 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 website for Student Conduct and Ethical Development is available at http://www.sa.sjsu.edu/judicial_affairs/index.html

Instances of academic dishonesty will not be tolerated. Cheating on exams or plagiarism (presenting the work of another as your own, or the use of another person’s ideas without giving proper credit) will result in a failing grade and sanctions by the University. For this class, all assignments are to be completed by the individual student unless otherwise specified. If you would like to include in your assignment any material you have submitted, or plan to submit for another class, please note that SJSU’s Academic Policy F06-1 requires approval of instructors.

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 requires that students
with disabilities requesting accommodations must register with the DRC (Disability Resource Center) to establish a record of their disability.

**College of Business Program Goals (CBPG):**
*(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.

**College of Business Policies:**

To ensure that every student, current and future, who takes courses in the Boccardo Business Center has the opportunity to experience an environment that is safe, attractive, and otherwise conducive to learning, the College of Business at San José State has established the following policies:

**Eating:**
Eating and drinking (except water) are prohibited in the Boccardo Business Center. Students with food will be asked to leave the building. Students who disrupt the course by eating and do not leave the building will be referred to the Judicial Affairs Officer of the University.

**Cell Phones:**
Students will turn their cell phones off or put them on vibrate mode while in class. They will not answer their phones in class. Students whose phones disrupt the course and do not stop when requested by the instructor will be referred to the Judicial Affairs Officer of the University.

**Computer Use:**
In the classroom, students may use computers only for class-related activities. These include activities such as taking notes on the lecture underway, following the lecture on Web-based PowerPoint slides that the instructor has posted, and finding Web sites to which the instructor directs students at the time of the lecture. Students who use their computers for other activities or who abuse the equipment in any way, at a minimum, will be asked to leave the class and will lose participation points for the day, and, at a maximum, will be referred to the Judicial Affairs Officer of the University for disrupting the course. (Such referral can lead to suspension from the University.) Students are urged to report to their instructors computer use that they regard as inappropriate (i.e., used for activities that are not class related).
**Academic Honesty:**
Faculty will make every reasonable effort to foster honest academic conduct in their courses. They will secure examinations and their answers so that students cannot have prior access to them and proctor examinations to prevent students from copying or exchanging information. They will be on the alert for plagiarism. Faculty will provide additional information, ideally on the green sheet, about other unacceptable procedures in class work and examinations. Students who are caught cheating will be reported to the Judicial Affairs Officer of the University, as prescribed by Academic Senate Policy S04-12.
**BUS1 170**  
Fundamentals of Finance

*Schedule subject to change*

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<th>Expected Week</th>
<th>Topics, Readings, Assignments, Deadlines</th>
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<td>1</td>
<td>Chapters 1&amp;2 – Overview of Financial Management</td>
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| 2             | Chapter 3 – Financial Statements, Cash Flow and Taxes  
<p>|               | Chapter 4 – Analysis of Financial Statements |
| 3             | Chapter 4 – Analysis of Financial Statements |
| 5             | <strong>Midterm</strong> |
| 5             | Chapter 5 – Time Value of Money |
| 6             | Chapter 6 – Interest Rates |
| 7             | Chapter 7 – Bond Valuation |
| 8             | <strong>Midterm</strong> |
| 9             | Chapter 8 – Risk and Rates of Return |
| 10            | Chapter 9 – Stock Valuation |
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<td>Chapter 11 – The Basics of Capital Budgeting</td>
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