

San José State University
School: College of Business
Department: Accounting and Finance
Course Number: BUS1 170
Title: Fundamentals of Finance
Section: 11 and 13
Semester: Spring
Year: 2016

Course and Contact Information

Instructor:	Dr. Tijana Rajkovic
Office Location:	BT 851
Telephone:	(408) 924-3467
Email:	tijana.rajkovic@sjsu.edu
Office Hours:	Tuesday and Thursday 4:30pm – 5:30pm and by appointment
Class Days/Time:	Tuesday and Thursday 1:30pm – 2:45pm (Section 11) Tuesday and Thursday 3pm – 4:15pm (Section 13)
Classroom:	BBC 108
Prerequisites:	BUS 21, ECON 1A, ECON 1B, and BUS 90 with a minimum grade of “C” in each
GE/SJSU Studies Category:	Finance

MYSJSU Messaging

Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on the [Canvas learning management system](http://sjsu.instructure.com) course website at <http://sjsu.instructure.com>. You are responsible for regularly checking with the messaging system through [MySJSU](http://my.sjsu.edu) at <http://my.sjsu.edu> to learn of any updates.

Canvas Student Guide: <https://guides.instructure.com/m/4212>

Course Description

The focus of this course is the finance function and its relation to other decision-making areas in the firm. The course includes the study of theory and techniques in acquisition and allocation of financial resources from an internal management perspective.

Learning Outcomes

The main objective of this course is to develop an understanding of the role of finance in a corporation. The course is concerned with the theory and techniques employed in making sound financial decisions. The course focuses on the core principles of finance, including time value of money, risk analysis, markets, and valuation.

Course Learning Outcomes (CLO)

Upon successful completion of this course, students will be able to:

1. CLO 1 Demonstrate an understanding of financial analysis – CBPG #5. Critical Thinking
2. CLO 2 Demonstrate an understanding of time value of money - CBPG #5. Critical Thinking
3. CLO 3 Demonstrate an understanding of financial valuation - CBPG #5. Critical Thinking
4. CLO 4 Demonstrate an understanding of real asset valuation - CBPG #5. Critical Thinking
5. CLO 5 Demonstrate an understanding of risk & return - CBPG #5. Critical Thinking

Required Texts/Readings

Textbook

Fundamentals of Financial Management, Concise 8th Edition

Author: Brigham and Houston

Publisher: Cengage Learning

ISBN-13: 9781285065137

ISBN: 1285065131

Other equipment / material

Financial calculator: Texas Instruments BAII Plus is recommended.

A financial calculator is required for this course. Please bring your calculator to each class.

Library Liaison

Ann Agee

Librarian for Accounting & Finance and School of Information

ann.agee@sjsu.edu

(408) 808 - 2033

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) at <http://www.sjsu.edu/senate/docs/S12-3.pdf>.

EXAM: Three midterm exams and a final exam will be offered on the dates specified in the course schedule. Only two of the three midterm exams need to be taken. In any case, only two highest midterm exam scores will be evaluated towards a final letter grade.

QUIZ: The quizzes will cover the reading, lecture and discussion material from the preceding class. Each quiz will consist of multiple choice/essay questions or problems. The essay questions will be answerable in a few words. For analytical problems you need to provide a numerical answer. If missed, these quizzes cannot be made up. These quizzes will normally be given at the beginning of class with no prior announcement and students arriving after the quizzes have been administered will not be allowed to take them. *A perfect score on all quizzes will produce a bonus of 10 additional points.*

TEAM PRESENTATION: Just about every class, a team (consisting of 2-3 students) will *present on finance topics and issues that are in the news*. Any topic related and relevant to our course is fair game. Look at news and news

outlets such as Wall Street Journal, Investor’s Business Daily, Forbes, The Economist, Kiplinger’s, Barron’s, Fortune, Money, Smart Money, Financial Times, etc. Select issues that will interest and energize the class. This *presentation should take about five minutes*, after which a class discussion or Q&A will evolve for another five minutes. Each team member is expected to present. Feel free to use PPT slides to support your presentation, or use a web link as needed. If you are responsible for this presentation, please come to class on time. You will lose points if there are delays or we lose valuable class time. Teams are required to put a *½ to 1 page summary of their presentation on Canvas discussion board by 5pm on the day before the presentation*. The summary should be professional looking, free from grammatical and spelling errors, and written with a single voice. Further details on the presentation requirements and grading standards for team presentations will be discussed in class and provided as a separate document in Canvas.

BLOOMBERG CERTIFICATION: Students can earn *extra credit points* by completing Bloomberg certifications. Further details on this assignment will be discussed in class and provided as a separate document in Canvas.

[University policy F69-24](http://www.sjsu.edu/senate/docs/F69-24.pdf) at <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

Grades will be based on the activities and points listed in the following table:

	Points	Percentage
2 Midterm Exams (250 points each)	500	50%
Final Exam	350	35%
Quizzes	100	10%
Team Presentation	50	5%
Total	1,000	100%

The final course grade will be based on the following point scale:

Grade	Course Points
A-, A, A+	90-92.99, 93-96.99, 97-100
B-, B, B+	80-82.99, 83-86.99, 87-89.99
C, C+	70-76.99, 77-79.99
D-, D, D+	60-62.99, 63-66.99, 67-69.99
F	below 60

Note that “All students have the right, within a reasonable time, to know their academic scores, to review their grade-dependent work, and to be provided with explanations for the determination of their course grades.” See [University Policy F13-1](http://www.sjsu.edu/senate/docs/F13-1.pdf) at <http://www.sjsu.edu/senate/docs/F13-1.pdf> for more details.

Classroom Protocol

Students are expected to behave in a professional manner. Please be respectful to others. Always arrive on time, and inform me in advance if unable to attend a class or exam. Read the assigned text material and be prepared to participate in class discussions.

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](http://www.sjsu.edu/senate/docs/S90-5.pdf) 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](http://www.sjsu.edu/provost/services/academic_calendars/) at http://www.sjsu.edu/provost/services/academic_calendars/. The [Late Drop Policy](http://www.sjsu.edu/aars/policies/latedrops/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](http://www.sjsu.edu/advising/) 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), <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.”
 - It is suggested that the greensheet include the instructor's process for granting permission, whether in writing or orally and whether for the whole semester or on a class by class basis.
 - 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](http://www.sjsu.edu/senate/docs/S07-2.pdf) 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](http://www.sjsu.edu/studentconduct/) 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](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) 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.

Accommodation to Students' Religious Holidays

San José State University shall provide accommodation on any graded class work or activities for students wishing to observe religious holidays when such observances require students to be absent from class. It is the responsibility of the student to inform the instructor, in writing, about such holidays before the add deadline at the start of each semester. If such holidays occur before the add deadline, the student must notify the instructor, in writing, at least three days before the date that he/she will be absent. It is the responsibility of the instructor to make every reasonable effort to honor the student request without penalty, and of the student to make up the work missed. See [University Policy S14-7](http://www.sjsu.edu/senate/docs/S14-7.pdf) at <http://www.sjsu.edu/senate/docs/S14-7.pdf>.

Student Technology Resources

Computer labs for student use are available in the [Academic Success Center](http://www.sjsu.edu/at/asc/) at <http://www.sjsu.edu/at/asc/> located on the 1st floor of Clark Hall and in the Associated Students Lab on the 2nd floor of the Student Union. Additional computer labs may be available in your department/college. Computers are also available in the Martin Luther King Library. A wide variety of audio-visual equipment is available for student checkout from Media Services located in IRC 112. These items include DV and HD digital camcorders; digital still cameras; video, slide and overhead projectors; DVD, CD, and audiotape players; sound systems, wireless microphones, projection screens and monitors.

SJSU Peer Connections

Peer Connections' free tutoring and mentoring is designed to assist students in the development of their full academic potential and to inspire them to become independent learners. Peer Connections tutors are trained to provide content-based tutoring in many lower division courses (some upper division) as well as writing and study skills assistance. Small group and individual tutoring are available. Peer Connections mentors are trained to provide support and resources in navigating the college experience. This support includes assistance in learning strategies and techniques on how to be a successful student. Peer Connections has a learning commons, desktop computers, and success workshops on a wide variety of topics. For more information on services, hours, locations, or a list of current workshops, please visit [Peer Connections website](http://peerconnections.sjsu.edu) at <http://peerconnections.sjsu.edu> for more information.

SJSU Writing Center

The SJSU Writing Center is located in Clark Hall, Suite 126. All Writing Specialists have gone through a rigorous hiring process, and they are well trained to assist all students at all levels within all disciplines to become better writers. In addition to one-on-one tutoring services, the Writing Center also offers workshops every semester on a variety of writing topics. To make an appointment or to refer to the numerous online resources offered through the Writing Center, visit the [Writing Center website](http://www.sjsu.edu/writingcenter) at <http://www.sjsu.edu/writingcenter>. For additional resources and updated information, follow the Writing Center on Twitter and become a fan of the SJSU Writing Center on Facebook. (Note: You need to have a QR Reader to scan this code.)



SJSU Counseling and Psychological Services

The SJSU Counseling and Psychological Services is located on the corner of 7th Street and San Carlos in the new Student Wellness Center, Room 300B. Professional psychologists, social workers, and counselors are available to provide confidential consultations on issues of student mental health, campus climate or psychological and academic issues on an individual, couple, or group basis. To schedule an appointment or learn more information, visit Counseling and Psychological Services website at <http://www.sjsu.edu/counseling>.

BUS1 170 / Fundamentals of Finance, Spring 2016, Course Schedule

The schedule is subject to change. The notice of change will be given in class or made available on Canvas.

Course Schedule

Week	Date	Topics, Readings, Assignments, Deadlines
1	1/28	An overview of Finance (Chapter 1)
2	2/2	Financial Markets and Institutions (Chapter 2)
2	2/4	Financial Markets and Institutions (Chapter 2)
3	2/9	Financial Statements, Cash Flow, and Taxes (Chapter 3)
3	2/11	Analysis of Financial Statements (Chapter 4)
4	2/16	Analysis of Financial Statements (Chapter 4)
4	2/18	<i>Review for Exam 1</i>
5	2/23	EXAM 1
5	2/25	Time Value of Money (Chapter 5)
6	3/1	Time Value of Money (Chapter 5)
6	3/3	Time Value of Money (Chapter 5)
7	3/8	Interest Rates (Chapter 6)
7	3/10	Bonds and Their Valuation (Chapter 7)
8	3/15	Bonds and Their Valuation (Chapter 7)
8	3/17	<i>Review for Exam 2</i>
9	3/22	EXAM 2
9	3/24	Risk and Rates of Return (Chapter 8)
10	3/29	<i>Spring Recess - no class</i>
10	3/31	<i>Spring Recess - no class</i>
11	4/5	Stocks and Their Valuation (Chapter 9)
11	4/7	Stocks and Their Valuation (Chapter 9)
12	4/12	The Cost of Capital (Chapter 10)
12	4/14	The Cost of Capital (Chapter 10)
13	4/19	<i>Review for Exam 3</i>
13	4/21	EXAM 3
14	4/26	The Basics of Capital Budgeting (Chapter 11)
14	4/28	The Basics of Capital Budgeting (Chapter 11)
15	5/3	Distributions to Shareholders: Dividends and Share Repurchases (Chapter 14)
15	5/5	Distributions to Shareholders: Dividends and Share Repurchases (Chapter 14)

Week	Date	Topics, Readings, Assignments, Deadlines
16	5/10	Capital Structure and Leverage (Chapter 13)
16	5/12	<i>Review for Final Exam</i>
Final Exam	Section 11	Thursday, May 19, 12:15pm-2:30pm
	Section 13	Monday, May 23, 2:45pm-5:00pm