Course Title: Principles of Finance  
Course Number: FINA 3311_003  
Instructor: Hui James  
Class Meeting Time: MWF 10:10 AM to 11:05 AM, Business bldg Room 00104  
Email Address: hjames@uttyler.edu  
Office: BUS 135A  
Office hours: M,W 11:00 AM to 2:00 PM; or by appointment

Instructional Methods:  
The course will be taught mainly through lectures, class discussions, and student take home assignments.

Required Text:  
- Students must have access to MyFinanceLab, which contains easy access to ample exercise, step-by-step tutorials, sample tests, and valuable feedback for you to be successful in this course. MyFinanceLab comes with a temporary access of 14 days, you will need to upgrade to full access after the trial period. To register, use the course ID james89957.  
- Students also must have internet access, basic computer skills, such as web browsing and email checking, simple application of Microsoft Word and Excel. Regularly log on to BlackBoard and check for new announcements and posted class materials is strongly recommended.  
- It is highly recommended that each student to have a financial calculator for the course because it can make your life so much easier in this course. Please do not share calculators in the classes or exams. The calculator used to solve class examples is Texas Instruments BA II Plus. You are welcome to use another type/brand financial calculator; however, it is your responsibility to figure out how to solve problems using it.

Course Objectives:  
This course presents students with fundamental financial principles and a conceptual understanding of the financial decision making process. By the completion of this course, students are expected to have a basic understanding of the concepts and methods of financial management, such as  
- The role of finance in business,  
- The application of time value of money,  
- Define and measure the expected rate of return of an investment,
Apply capital budgeting techniques for corporate investment decisions.

Course Outcomes:
- Describe the goal of the firm, the principles finance and legal forms of business organization. (Ch. 1)
- Determine the role of financial market and the interest rate determination. (Ch.2)
- Generate firm’s income statement, balance sheet, and cash flow statement. (Ch.3)
- Evaluating a firm’s financial performance. The student will be exposed to a set of key financial ratios and will be able to discuss their effective use. (Ch. 4)
- Define the concept of time value of money and be able to use it to move money through time. (Ch. 5)
- Define and measure the expected rate of return of an individual investment, and understand the effect of diversification on the riskiness of a portfolio. (Ch. 6)
- Explain the difference between different kinds of bonds and the factors that determine bonds’ value. (Ch. 7)
- Value preferred stock and common stock, and calculate a stockholder’s expected rate of return on an investment. (Ch. 8)
- Determine company’s cost of capital. (Ch. 9)
- Use capital budgeting techniques to determine whether a new project should be accepted. (Ch. 10)
- Describe the common type of dividend policies and the difference between the use of share repurchases and cash dividends. (Ch.13)

Course structure:
To be successful in this course, students will need to:
- Attend every class on time and pay attention to important class materials,
- Visit Blackboard regularly,
- Finish all assignments (Because assignments are given based on the average level of students, advanced students may improve their understandings by working through more problems at the end of each book chapter),
- Participate in class activities and share insights through class discussions.

Note on Blackboard: all course materials, grades, and announcements will be posted via Blackboard. You will automatically have an account after enrolling in this course. Please contact the Blackboard administrator if you have any problem accessing Blackboard. Students are required to maintain the current e-mail address with Blackboard as it uses this address to send course-related online communications.

Exam:
Three exams will be given throughout the semester and each exam is non-cumulative. The format will be the combination of multiple choices and short essay
questions. You are allowed to bring your own formula sheet, which must be no larger than an 8\(\frac{1}{4}\) by 11 sheet of paper. You are not allowed to write down anything other than formulas on your formula sheet. You are required to bring #2 pencils and a half-sheet scantron form (Form 882-E) for each exam. You may use your calculator to solve the problems. **Smart phones will not be allowed to be used for calculations on tests.**

**Homework:**
Homework assignments are assigned through Pearson’s MyFinanceLab & Mastering. You will have one assignment for each chapter and eleven assignments in total. Around one week time will be given for you to complete each assignment. Late submissions are allowed with penalty of 20% off your homework grade per day.

**Participation**
Class participation, including attending class, asking and discussing questions in class, is strongly encouraged. Students will be responsible for all work missed during an absence. Coming to class late, leaving class early, leaving classroom in the middle of the class without legitimate reasons are considered disruptive behavior, and your participation points for that particular class section will be deducted by 50%.

**Make-Up Policy:**
If you must miss an exam, you must contact me in person before the exam. Evidence for the unavoidable absence is required. Failure to do so may result in a zero for that exam. Make-up exams, if allowed, may be taken before the absence and no later than the next scheduled class period.

**Evaluation**
A student’s grade for the class will be based on performance in exams, assignments, and class participation. Below is the grading scale with the corresponding weights for each component:

1. Exam 1 120 pts.
2. Exam 2 120 pts.
3. Exam 3 120 pts.
4. Assignments 150 pts.
5. Participation 50 pts.
**TOTAL** 560 pts.

The grade scale is as following:

\[ \begin{array}{c|c}
\text{>=90%} & \text{A} \\
\text{<=80%<90%} & \text{B} \\
\end{array} \]
<=70%<80%: C
<=60%<70%: D
<60%: F

All grades beginning Spring 2007 must be a “C” or better for the University Lower Division Core, Business Field of Study, Upper Division Business Core, and Major Area. The only “D” allowed will be in General and Business Electives. Thus, if you are taking this class as your fulfillment of upper division core for degree in business, you should achieve a “C” or better grade.

Course Topic outline

Week 1
29-Aug Syllabus
    Chapter 1 Foundation of Financial Management
31-Aug Chapter 1 Foundation of Financial Management
  2-Sep Chapter 2 Financial Market and Interest Rates

Week 2
  5-Sep Labor Day holiday, no class
  7-Sep Chapter 2 Financial Market and Interest Rates
  9-Sep Chapter 2 Financial Market and Interest Rates

Week 3
  12-Sep Understanding Financial Statement and Cash Flows
  14-Sep Chapter 3 Understanding Financial Statement and Cash Flows
  16-Sep Chapter 3 Understanding Financial Statement and Cash Flows

Week 4
  19-Sep Evaluating a Firm’s Financial Performance
  21-Sep Chapter 4 Evaluating a Firm’s Financial Performance
  23-Sep Chapter 4 Evaluating a Firm’s Financial Performance

Week 5
  26-Sep
  28-Sep
  30-Sep Chapter 5 Exam 1 (Chapter 1, 2, 3 & 4)

Week 6
  3-Oct Chapter 5 The Time Value of Money
  5-Oct Chapter 5 The Time Value of Money
  7-Oct Chapter 6 The Time Value of Money

Week 7
  10-Oct Chapter 6 The Meaning and Measurement of Risk and Return
  12-Oct Chapter 6 The Meaning and Measurement of Risk and Return
  14-Oct Chapter 7 The Meaning and Measurement of Risk and Return

Week 8
  17-Oct Chapter 7 Bond Valuation
  19-Oct Chapter 7 Bond Valuation
  21-Oct Chapter 7 Bond Valuation
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<tr>
<th>Week 9</th>
<th>Date</th>
<th>Chapter</th>
<th>Topic</th>
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<td>24-Oct</td>
<td>7</td>
<td>Bond Valuation</td>
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<td>26-Oct</td>
<td>8</td>
<td>Stock valuation</td>
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<td>28-Oct</td>
<td>8</td>
<td>Stock valuation</td>
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<td>Week 10</td>
<td>31-Oct</td>
<td>8</td>
<td>Stock valuation</td>
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<td>2-Nov</td>
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<td>Review Session</td>
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<td>4-Nov</td>
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<td>Self-study</td>
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<td>Week 11</td>
<td>7-Nov</td>
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<td>Exam 2 (Chapter 5, 6, 7, 8 &amp;9)</td>
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<td>9-Nov</td>
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<td>Cost of Capital</td>
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<td>11-Nov</td>
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<td>Cost of Capital</td>
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<td>Week 12</td>
<td>14-Nov</td>
<td>9</td>
<td>Cost of Capital</td>
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<td>16-Nov</td>
<td>10</td>
<td>Capital Budgeting</td>
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<td>18-Nov</td>
<td>10</td>
<td>Capital Budgeting</td>
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<td>Week 13</td>
<td>7-Nov</td>
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<td>Thanksgiving break</td>
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<td>Week 14</td>
<td>28-Nov</td>
<td>10</td>
<td>Capital Budgeting</td>
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<td>30-Nov</td>
<td>13</td>
<td>Dividend policy and internal financing</td>
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<td>2-Dec</td>
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<td>Dividend policy and internal financing</td>
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<td>Week 15</td>
<td>3-Dec</td>
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<td>Dividend policy and internal financing</td>
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<td>7-Dec</td>
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<td>Review Session</td>
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<td>9-Dec</td>
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<td>Self-study</td>
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<td>Week 16</td>
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<td>Exam 3 (Chapter 9, 10&amp;13)</td>
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College of Business and Technology Statement of Ethics:

**NOTE: the above class schedule is subject to revisions at the instructor’s discretion if it is deemed necessary as a responsive action to class process and time constraints.**

The ethical problems facing local, national and global business communities are an ever-increasing challenge. It is essential the college of Business and Technology help students prepare for lives of personal integrity, responsible citizenship, and public service. In order to accomplish these goals, both students and faculty of the College of Business and Technology at The University of Texas at Tyler will:

- Ensure honesty in all behavior, never cheating or knowingly giving false information.
- Create an atmosphere of mutual respect for all students and faculty regardless of race, creed, gender, age or religion.
- Develop an environment conducive to learning.
- Encourage and support student or organizations and activities.
- Protect property and personal information from theft, damage and misuse.
- Conduct yourself in a professional manner both on and off campus.

**Students Rights and Responsibilities**

To know and understand the policies that affect your rights and responsibilities as a student at UT Tyler, please follow this link: http://www2.uttyler.edu/wellness/rightsresponsibilities.php

**Grade Replacement/Forgiveness and Census Date Policies**

Students repeating a course for grade forgiveness (grade replacement) must file a Grade Replacement Contract with the Enrollment Services Center (ADM 230) on or before the Census Date of the semester in which the course will be repeated. Grade Replacement Contracts are available in the Enrollment Services Center or at http://www.uttyler.edu/registrar. Each semester’s Census Date can be found on the Contract itself, on the Academic Calendar, or in the information pamphlets published each semester by the Office of the Registrar.

Failure to file a Grade Replacement Contract will result in both the original and repeated grade being used to calculate your overall grade point average. Undergraduates are eligible to exercise grade replacement for only three course repeats during their career at UT Tyler; graduates are eligible for two grade replacements. Full policy details are printed on each Grade Replacement Contract.

The Census Date is the deadline for many forms and enrollment actions that students need to be aware of. These include:

- Submitting Grade Replacement Contracts, Transient Forms, requests to withhold directory information, approvals for taking courses as Audit, Pass/Fail or Credit/No Credit.
- Receiving 100% refunds for partial withdrawals. (There is no refund for these after the Census Date)
- Schedule adjustments (section change, adding a new class, dropping without a "W" grade)
- Being reinstated or re-enrolled in classes after being dropped for non-payment
- Completing the process for tuition exemptions or waivers through Financial Aid

**State-Mandated Course Drop Policy**

Texas law prohibits a student who began college for the first time in Fall 2007 or thereafter from dropping more than six courses during their entire undergraduate career. This includes courses dropped at another 2-year or 4-year Texas public college or university. For purposes of this rule, a dropped course is any course that is dropped after the census date (See Academic Calendar for the specific date).
Exceptions to the 6-drop rule may be found in the catalog. Petitions for exemptions must be submitted to the Enrollment Services Center and must be accompanied by documentation of the extenuating circumstance. Please contact the Enrollment Services Center if you have any questions.

**Concealed handgun on campus**

We respect the right and privacy of students who are duly licensed to carry concealed weapons in this class. License holders are expected to behave responsibly and keep a handgun secure and concealed. More information is available at [http://www.uttyler.edu/about/campus-carry/index.php](http://www.uttyler.edu/about/campus-carry/index.php).

**Disability Services**

In accordance with Section 504 of the Rehabilitation Act, Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA) the University offers accommodations to students with learning, physical and/or psychiatric disabilities. If you have a disability, including non-visible disabilities such as chronic diseases, learning disabilities, head injury, PTSD or ADHD, or you have a history of modifications or accommodations in a previous educational environment you are encouraged to contact the Student Accessibility and Resources office and schedule an interview with the Accessibility Case Manager/ADA Coordinator, Cynthia Lowery Staples. If you are unsure if the above criteria applies to you, but have questions or concerns please contact the SAR office. For more information or to set up an appointment please visit the SAR office located in the University Center, Room 3150 or call 903.566.7079. You may also send an email to cstaples@uttyler.edu.

**Student Absence Due To Religious Observance**

Students who anticipate being absent from class due to a religious observance are requested to inform the instructor of such absences by the second class meeting of the semester.

**Student Absence for University-Sponsored Events And Activities**

If you intend to be absent for a university-sponsored event or activity, you (or the event sponsor) must notify the instructor at least two weeks prior to the date of the planned absence. At that time the instructor will set a date and time when make-up assignments will be completed.

**Social Security and FERPA Statement**

It is the policy of The University of Texas at Tyler to protect the confidential nature of social security numbers. The university has changed its computer programming so that all students have an identification number. The electronic transmission of grades (e.g., via e-mail) risks violation of the Family Educational Rights and Privacy Act; grades will not be transmitted electronically.
Emergency Exits and Evacuation:

Everyone is required to exit the building when a fire alarm goes off. Follow your instructor’s directions regarding the appropriate exit. If you require assistance during an evacuation, inform your instructor in the first week of class. Do not re-enter the building unless given permission by University Police, Fire Department, and Fire Prevention Services.