

**FINANCE 3220 (Previously FIN322) MANAGERIAL FINANCE – I**  
**Winter 2018 CRN: 10184**

**Class Time:** Thursdays 6:30pm – 9:50pm

**Instructor:** Hong Qian  
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Office Hours: Thursdays 2:30pm–5:30pm & by appointment

**Course Description:** This course covers fundamental concepts of managerial finance. Topics include (1) the structure and contents of financial statements; (2) time value of money and the discount cash flow approach; (3) capital budgeting; (4) bond and stock valuation; (5) risk and return and the cost of capital.

**Course Objective:** Managerial Finance I is an introduction to how corporate executives make financial decisions. This course seeks to (1) expose students to the fundamental concepts in the field of corporate finance; and (2) provide students with basic analytical tools that aid the corporate financial decision making process, especially capital budgeting and capital structure decisions. Emphasis will be placed on developing the quantitative skill toward solving real world problems.

This course is being assessed for critical thinking. The learning objectives are:

1. Identify the assumptions needed to analyze the assigned case or problem.
2. Identify the relevant and irrelevant data or information presented in the case or problem.
3. Identify the different questions or approaches that could be considered in order to answer the problem or case.
4. Derive or describe the solution to the problem or case.

**Course Prerequisites:** ((ECN 2010, (ECN 2000 or ECN 2020)) or ECN 2100), ACC 2100, (MTH 1222 or MTH 1554), (STA 2220 or STA 2226 or QMM 2400) with a minimum grade of 2.0 in each course. For all SBA students, recommend QMM 2410 prior to or concurrent with FIN 3220. For finance major students, also recommend ACC 3010 concurrent with FIN 3220.

**Required Materials:**

Text Book: *Fundamentals of Corporate Finance*, 11<sup>th</sup> ed., by Ross, Westerfield, and Jordan, McGraw-Hill Irwin 2015

Financial Calculator: I strongly recommend Texas Instruments BAII ([www.ti.com](http://www.ti.com)).

**Course Website:** Moodle

I will be posting slides (lecture notes) and answer keys to assignments on Moodle. Please check regularly (at least once before each class) for any updates and announcements. Once a new item is posted, I assume all students are aware of it.

In addition to this syllabus, I post a *Tentative Schedule* on Moodle. Depending on how you progress, I may change the schedule accordingly. I will announce in class if I make any change to the schedule.

**Grading:** Course grade will be based on the following components:

Class participation	5 points
Homework	10 points
Quizzes	15 points
Midterm	35 points
<u>Final</u>	<u>35 points</u>
Total	100 points

Your course grade will be converted to the official Oakland University's 32 point grading scale by the formula  $1.0+3.0*(\text{your points}-\text{cutoff for 1.0})/(\text{cutoff for 4.0}-\text{cutoff for 1.0})$ . For example, I may use 95 points as the cutoff for 4.0, and 50 points as the cutoff for 1.0, in which case 90 points=3.7, 80 points=3.0, 70 points=2.3, 65 points=2.0 correspondingly. I may change the cutoff points with respect to your performance.

Class attendance is important and will be counted as class participation. In addition, you are also encouraged to take an active part in class. 10 homework assignments are required. They should be handwritten and submitted on the due date. No late submissions are accepted. No plagiarism is allowed. I will go over some of the assignments in class and occasionally ask you to present the solutions. There will be 4 quizzes. Each quiz is counted 5 points. I will choose your three best scores for the purpose of grading. There will be two exams. A review session will be held for each of the exams. Exams are not cumulative. However, I assume you understand the terminologies and concepts from earlier in the course.

**Important:**

All quizzes and exams will be close book and close notes, but calculators are allowed and required. You may bring dictionary or calculator manual to the exams. Absence from any quiz or exam will *not* be excused except for the most serious reasons. Any unexcused absences will result in a grade of zero. *No make-up exam* will be given unless you present strong *written* evidence of your absence on the scheduled date (e.g. a doctor's letter in letter head paper with signature for medical emergency). Should an absence be excused, the format of the make-up exam will be at the discretion of the instructor.

*Please bring your text book and financial calculator to each class.* Many discussions will use examples from the text book and problems will be solved using the financial calculator. For all exams, please bring **#2 pencils**, eraser/correction fluid (white out), and Scantron answer sheet (**Form 882-E**). Only the Scantron answer sheets will be graded. Be careful when marking your answers on the Scantron answer sheets. If you change an answer on the Scantron answer sheet, you must erase/white out your previous answer, otherwise the machine will automatically score it as incorrect, and you will not receive credit for your answer.

**Academic Integrity:**

Cheating and plagiarism are considered serious at Oakland University. All allegations of academic misconduct will be reported to the Dean of Students and, thereafter, to the Academic Conduct Committee for adjudication. Anyone found guilty of cheating in this course may receive a grade of 0.0, in addition to any penalty assigned by the Academic Conduct Committee. Please refer to Oakland University Undergraduate Catalog for the full Academic Conduct Policy.

Note: January 17, 2018 is the last day to drop this course for a refund.