



**Fermanian School of Business**

**FIN3035 Business Finance**

**3 Credit hours**

**Spring 2021**

<b>Meeting days:</b> Tuesday/Thursday	<b>Professor:</b> Bud Nelson
<b>Meeting times:</b> Section 2: 9:30 a.m. – 10:45 a.m.	<b>Cell Phone:</b> 619-890-2251
<b>Meeting location:</b> FSB 104	<b>E-mail:</b> bnelson1@pointloma.edu
<b>Office location:</b> FSB 139/140	<b>Office Hours:</b> T, Th Afternoons

**PLNU Mission**

**To Teach ~ To Shape ~ To Send**

Point Loma Nazarene University exists to provide higher education in a vital Christian community where minds are engaged and challenged, character is modeled and formed, and service is an expression of faith. Being of Wesleyan heritage, we strive to be a learning community where grace is foundational, truth is pursued, and holiness is a way of life.

**Fermanian School of Business Mission**

**Character – Professionalism – Excellence – Relationships – Commitment - Innovation**

As members of a vital Christian community, we strive to provide high quality business programs that equip students to make a positive impact in their workplace and community by connecting purpose to practice.

**COURSE DESCRIPTION**

This course provides an introduction to the principles that guide the financial management of a business enterprise, with emphasis on decision-making and value creation. Topics include financial analysis, time value of money, risk and return, security valuation, capital budgeting, cost of capital, forecasting and dividend policy.

**COURSE LEARNING OUTCOMES**

The following learning outcomes are aligned with the Fermanian School of Business Program Learning Outcomes.

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

1. Exhibit an understanding of finance terminology (PLO 1, C1).
2. Exhibit an understanding of finance principles and theories, including: financial analysis, the time value of money, risk and return, securities, capital budgeting, cost of capital, leverage, dividend policy and forecasting (PLO 1, C1).
3. Calculate and analyze a firm's financial performance, security valuation and returns, financial forecast and impact of leverage (PLO 2, C2).
4. Evaluate a firm's opportunities using capital budgeting analysis, including preparing cash flows, calculating cost of capital and applying various finance tools (PLO 2, C2).
5. Formulate financial decisions based upon ethical values (PLO 4).
6. Collaborate effectively in teams to solve complex finance problems (PLO 5).

## COURSE CREDIT HOUR INFORMATION

---

In the interest of providing sufficient time to accomplish the stated Course Learning Outcomes, this class meets the PLNU credit hour policy for a 3 unit class delivered over 15 weeks. Specific details about how the class meets the credit hour requirement can be provided upon request.

## COURSE SCHEDULE AND ASSIGNMENTS

---

*Tentative Schedule (subject to change as needed - Check your PLNU e-mail and Canvas account daily):*

Class	Date	Chapter/Reading	Topic	Quiz/Test Dates
1	3/2	Syllabus & Canvas	Course Syllabus / Course Introduction	
2	3/4	1	Principles of Finance	
3	3/9	2 & 3	Financial Markets / Financial Statements & Taxes	
4	3/11	4	Financial Analysis	
5	3/16	5 (5.1-5.2)	Time Value Money / DCF Analysis I	Quiz #1, CH 1-4
6	3/18	5 (5.3)	Time Value Money / DCF Analysis II	
7	3/23	5 (5.4)	Time Value Money / DCF Analysis III	
8	3/25	6 (6.1 & 6.2)	Time Value Money / DCF Analysis IV	
9	3/30	6 (6.3)	Time Value Money / DCF Analysis V	Quiz #2, CH 5-6
10	4/1		Review Session	
<b>11</b>	<b>4/6</b>			<b>Mid-Term Exam I</b>
12	4/8	9 (9.1-9.3)	Bond Valuation I	
13	4/13	9 (9.4)	Bond Valuation II	
14	4/15	10	Stock Valuation	
15	4/20	8	Diversification, Beta and CAPM	
16	4/22	11	Investment Decision Criteria I	Quiz #3, CH 8-10
17	4/27	11	Investment Decision Criteria II	
18	4/29	12 (12.1-12.2)	Project Cash Flows I	
19	5/4	12(12.2-12.3)	Project Cash Flows II	
20	5/6	12 (12.4)	Project Cash Flows III	Quiz #4, CH 11-12
21	5/11		Review Session	
<b>22</b>	<b>5/13</b>			<b>Mid-Term Exam II</b>
23	5/18	14 (14.1-14.3)	Cost of Capital I	
24	5/20	14 (14.4-14.6)	Cost of Capital II	
25	5/25	13 (13.3) & 15 (15.1, 15.2, 15.4)	Operating and Financial Leverage	
26	5/27	16	Dividend Policy	
27	6/1	17	Financial Forecasting	
28	6/3		Review Session	Quiz #5, CH 13-17
<b>29</b>	<b>6/10</b>	<b>Final Exam</b>	<b>Section 2: Thursday, 6/10, 10:30am – 1:00pm</b>	

## REQUIRED TEXT AND STUDY RESOURCES

---

**Text:** Financial Management: Principles and Applications, Titman, Keown, Martin, 13th edition, Pearson, ©2018 (ISBN-13#: 9780134417219). **Resources:** Personal Computer with Microsoft Excel.

## CLASS ACTIVITIES (ASSESSMENT AND GRADING)

**Homework:** Homework assignments will primarily consist of problems from the end of each chapter and problems provided by the instructor and will be assigned (via Canvas) for each class period approximately 3 to 7 days prior to the due date of such assignments. All homework assignments must be turned in (via Canvas) no later than 9:30am on the date such homework assignment is due. Approximately 11 times throughout the semester, the Professor will select homework assignments to be graded (10 will be kept, lowest grade will be dropped). Late homework will **not** be accepted as we will review all assignments in class or via video the day they are due. You will not know in advance which homework assignments will be graded; therefore, you must complete all assignments or risk losing 15 points or 1.5% of your grade for each missed assignment. Working together on homework assignments is encouraged; however, you **cannot** share homework (Microsoft Excel) files and must submit your own work (see academic integrity section below). Homework must be prepared using Microsoft Excel and submitted through Canvas, and must include all work and supporting calculations for credit.

**Quizzes:** 5 Quizzes will be given during the semester and will consist of multiple choice and true/false questions based primarily on finance terms, concepts and terminology included in the textbook and lectures. Such quizzes will be given at the beginning of the class period either in-person (students must be present in class to take the quiz) or online using the Honorlock system. No makeup quizzes will be issued if one is missed; however, your lowest grade on the quizzes will be dropped from your final grade evaluation.

**Class Participation / Attendance:** The success of the course will be impacted by the quality of daily participation. Each of you must feel comfortable contributing to live class discussions on a daily basis. Class participation will be based upon your contributions to discussions, including input or questions regarding the reading and homework assignments. In addition, you should be prepared to answer questions, participate in group activities and other in-class assignments. Class participation will also be based upon your attendance – please see the class policy regarding attendance below.

**Exams:** Every student is to be present for mid-term exams and the final exam at the scheduled times. Students should not share their Excel files with other students as each student must create their own spreadsheets. No makeup exams will be given without PRIOR permission. I will provide a makeup exam only for absences officially excused by the university provost or for emergencies completely beyond a student's control, such as a documented illness or injury. You must coordinate any conflict with one of these exams with me as soon as you discover it, preferably not later than 48 hours prior to the exam.

### **Assessment and Grading:**

<b>Assignment:</b>	<b>Points</b>	<b>Final Grade Scale:</b>	
✓ Homework (10 x 15 pts ea)	150	A = 93 - 100%	930-1000 points
✓ Class Participation/Attendance	70	A- = 90 - <93%	900-929 points
✓ Quizzes (4 x 20 pts ea)	80	B+ = 87 - <90%	870-899 points
✓ Mid Term Exams (2 x 200 pts ea)	400	B = 83 - <87%	830-869 points
✓ Final Exam	300	B- = 80 - <83%	800-829 points
<b>Total Possible Points for the Course:</b>	<b>1000</b>	C+ = 77 - <80%	770-799 points
		C = 73 - <77%	730-769 points
		C- = 70 - <73%	700-729 points
		D+ = 67 - <70%	670-699 points
		D = 60 - <67%	600-669 points
		F = 0 - <60%	0-599 points

## CLASS POLICIES

---

**Professionalism:** Students are expected to hold the highest levels of professionalism including integrity and honesty, respectfulness, punctuality and mature leadership. Exemplary behavior is expected in the classroom.

**Attendance and Participation Policy:** Regular and punctual attendance at all **synchronous** class sessions is considered essential to optimum academic achievement. If the student is absent for more than 10 percent of class sessions (virtual or face-to-face), the faculty member will issue a written warning of de-enrollment. If the absences exceed 20 percent, the student may be de-enrolled without notice until the university drop date or, after that date, receive the appropriate grade for their work and participation. In some courses, a portion of the credit hour content will be delivered **asynchronously** and attendance will be determined by submitting the assignments by the posted due dates. See Academic Policies in the Academic Catalog. If absences exceed these limits but are due to university excused health issues, an exception will be granted.

### **Asynchronous Attendance/Participation Definition**

A day of attendance in asynchronous content is determined as contributing a substantive note, assignment, discussion, or submission by the posted due date. Failure to meet these standards will result in an absence for that day. Instructors will determine how many asynchronous attendance days are required each week.

### **Face-to-Face Class Sessions**

Regular and punctual attendance at all face-to-face classes is considered essential to optimum academic achievement. If the student is absent from more than 10 percent of class meetings, the faculty member can file a written report which may result in de-enrollment. If the absences exceed 20 percent, the student may be de-enrolled without notice until the university drop date or, after that date, receive the appropriate grade for their work and participation. See Academic Policies in the Academic Catalog for additional detail.

Leaving early and arriving late for in-person and synchronous class sessions counts as a partial absence. For example, arriving late by 1-15 minutes will be treated as 1/3 absence. Additionally, PLNU counts all absences unexcused except for University sanctioned activities. All illnesses, emergencies, etc. (even with a doctor's note) are considered unexcused.

**Use of Technology:** In order to be successful in the online environment, you'll need to meet the minimum technology and system requirements; please refer to the [Technology and System Requirements](#) information. Additionally, students are required to have headphone speakers compatible with their computer available to use. If a student is in need of technological resources please contact [student-tech-request@pointloma.edu](mailto:student-tech-request@pointloma.edu). Problems with technology do not relieve you of the responsibility of participating, turning in your assignments, or completing your class work.

**PLNU Academic Honesty Policy:** Students should demonstrate academic honesty by doing original work and by giving appropriate credit to the ideas of others. Academic dishonesty is the act of presenting information, ideas, and/or concepts as one's own when in reality they are the results of another person's creativity and effort. A faculty member who believes a situation involving academic dishonesty has been detected may assign a failing grade for that assignment or examination, or, depending on the seriousness of the offense, for the course. Faculty should follow and students may appeal using the procedure in the university Catalog. See [Academic Policies](#) in the PLNU Catalog for further policy information.

**Dropping the Course:** It is the student's responsibility to maintain his/her class schedule. Should the need arise to drop this course (personal emergencies, poor performance, etc.), the student has the responsibility to follow through (provided the drop date meets the stated calendar deadline established by the university), not the

instructor. Simply ceasing to attend this course or failing to follow through to arrange for a change of registration (drop/add) may easily result in a grade F on the official transcript.

**PLNU Academic Accommodations Policy:** While all students are expected to meet the minimum standards for completion of this course as established by the instructor, students with disabilities may require academic adjustments, modifications or auxiliary aids/services. At Point Loma Nazarene University (PLNU), these students are requested to register with the Disability Resource Center (DRC), located in the Bond Academic Center. (DRC@pointloma.edu or 619-849-2486). The DRC's policies and procedures for assisting such students in the development of an appropriate academic adjustment plan (AP) allows PLNU to comply with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. Section 504 (a) prohibits discrimination against students with special needs and guarantees all qualified students equal access to and benefits of PLNU programs and activities. After the student files the required documentation, the DRC, in conjunction with the student, will develop an AP to meet that student's specific learning needs. The DRC will thereafter email the student's AP to all faculty who teach courses in which the student is enrolled each semester. The AP must be implemented in all such courses.

If students do not wish to avail themselves of some or all of the elements of their AP in a particular course, it is the responsibility of those students to notify their professor in that course. PLNU highly recommends that DRC students speak with their professors during the first two weeks of each semester about the applicability of their AP in that particular course and/or if they do not desire to take advantage of some or all of the elements of their AP in that course.

**Schedule and Other Changes:** The information in this syllabus is subject to change. Any such changes will be announced in class and/or communicated via Canvas or email.

**Canvas and Email:** Assignments, announcements, changes to this syllabus and other communication from the instructor, from time to time, may be made via Canvas or email.

**Mobile Phones and Other Mobile Devices:** The use of mobile phones, including phone calls, texting or any other purposes, is not allowed in the classroom during class meetings or examinations. Please keep mobile phones turned-off and out of sight. The classroom use of tablets and PC's should only be for class-related work and not for social media or any other non-class purposes.

**FERPA Policy:** In compliance with federal law, neither PLNU student ID nor social security number should be used in publicly posted grades or returned sets of assignments without student written permission. This class will meet the federal requirements by distributing all grades and papers individually. Also in compliance with FERPA, you will be the only person given information about your progress in this class unless you have designated others to receive it in the "Information Release" section of the student portal. See [Policy Statements](#) in the (undergrad/graduate as appropriate) academic catalog.

**Final Examination Policy:** Successful completion of this class requires taking the final examination **on its scheduled day**. The final examination schedule is posted on the [Class Schedules](#) site. No requests for early examinations or alternative days will be approved.

**PLNU Copyright Policy:** Point Loma Nazarene University, as a non-profit educational institution, is entitled by law to use materials protected by the US Copyright Act for classroom education. Any use of those materials outside the class may violate the law.

<https://www.pointloma.edu/offices/office-institutional-effectiveness-research/disclosures>