

## Spring 2024

<b>Meeting days:</b> MON	<b>Professor:</b> Dan Bothe
<b>Meeting time:</b> 6:00pm – 8:45pm	<b>Cell Phone:</b> 858-204-3866
<b>Meeting location:</b> Southwestern College	<b>E-mail:</b> dbothe@pointloma.edu
<b>Office location:</b> Main Campus FSB 125 or Southwestern Classroom before Class	<b>Office Hours:</b> By Appointment
<b>Final Exam:</b> 4/29/24 6:00pm	

### 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

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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

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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

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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.

## REQUIRED TEXT AND RESOURCES

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

**Resources:** Personal Computer with Microsoft Excel (Google Sheets and Apple Numbers CANNOT be substituted for Excel as they do not have the required functionality).

## COURSE SCHEDULE AND ASSIGNMENTS

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

Week	Date	Quiz/Exam	Homework Review	Lecture
1	No Class Mtg		<b>LIGHT WEEK</b>	Course Introduction Ch 1 - Principles of Finance
2	1/15		<b>NO CLASS</b>	<b>MLK Holiday</b>
3	1/22			Ch 2 - Financial Markets Ch 3 - Financial Statements & Taxes Ch 4 - Financial Analysis
4	1/29		Ch 3 – Fin Statements & Taxes Ch 4 – Financial Analysis	Ch 5a - Time Value Money/DCF Analysis I Ch 5b - Time Value Money/DCF Analysis II
5	2/5	Quiz #1, CH 1-4	Ch 5a – Time Value Money/DCF Analysis I Ch 5b - Time Value Money/DCF Analysis II	Ch 5c - Time Value Money/DCF Analysis III Ch 6a - Time Value Money/DCF Analysis IV
6	2/12		Ch 5c - Time Value Money/DCF Analysis III Ch 6a - Time Value Money/DCF Analysis IV	Ch 6b - Time Value Money /DCF Analysis V
7	2/19	Quiz #2, CH 5-6	Ch 6b - Time Value Money/DCF Analysis V	Ch 9a Bond Valuation I Ch 9b - Bond Valuation II Exam #1 Review Session
8	2/26	<b>Exam #1</b>		
	3/4		<b>NO CLASS</b>	<b>Spring Break</b>
9	3/11	Quiz #3, CH 9	Ch 9a – Bond Valuation I Ch 9b – Bond Valuation II	Ch 8 - Diversification, Beta and CAPM Ch 10 - Stock Valuation
10	3/18	Quiz #4, CH 8 & 10	Ch 8 - Diversification, Beta, and CAPM Ch 10 - Stock Valuation	Ch 11a - Investment Decision Criteria I Ch 11b - Investment Decision Criteria II
11	3/25	Quiz #5, CH 11	Ch 11a - Investment Decision Criteria I Ch 11b - Investment Decision Criteria II	Ch 14a - Cost of Capital I Ch 14b - Cost of Capital II Exam #2 Review Session
12	4/1	<b>Exam #2</b>		
13	4/8	Quiz #6, CH 14	Ch 14a - Cost of Capital I Ch 14b - Cost of Capital II	Ch 12a - Project Cash Flows I Ch 12b - Project Cash Flows II
14	4/15		Ch 12a - Project Cash Flows I Ch 12b - Project Cash Flows II	Ch 12c - Project Cash Flows III Ch 17 - Financial Forecasting
15	4/22	Quiz #7, CH 12 & 17	Ch 12c - Project Cash Flows III Ch 17 - Financial Forecasting	Final Exam Review Session
16	4/29	<b>Final Exam</b>		

## CLASS ACTIVITIES (ASSESSMENT AND GRADING)

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**Homework:** Homework assignments will consist of problems for each chapter and will be assigned (via Canvas) for each class period approximately 7 days prior to the due date of such assignments. All homework assignments must be turned in (via Canvas) **no later than 6:00pm** on the date such homework assignment is due. Eighteen (18) homework assignments will be graded throughout the semester, fifteen (15) scores will count toward your grade (lowest three (3) grades will be dropped). **Late homework will not be accepted** as we will review all assignments in class the day they are due. 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 Excel and submitted through Canvas, and must include all work and supporting calculations for credit.

**Quizzes:** 7 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. Quizzes will be given at the beginning of the class period and students must be present in class to take the quiz. No makeup quizzes will be provided if one is missed; however, your lowest grade on the quizzes will be dropped from your final grade evaluation (6 will be kept).

**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. If it is determined that a student used AI assisted websites or tools (such as ChatGPT) on an exam, they will receive a zero for the exam. 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 the Professor as soon as you discover it, preferably not later than 48 hours prior to the exam.

### **Assessment and Grading:**

<b><u>Assignment:</u></b>	<b><u>Points</u></b>	<b><u>Final Grade Scale:</u></b>	
✓ Homework (15 x 10 pts ea)	150	A = 93 - 100%	930-1000 points
✓ Class Participation/Attendance	80	A- = 90 - <93%	900-929 points
✓ Quizzes (6 x 20 pts ea)	120	B+ = 87 - <90%	870-899 points
✓ Mid Term Exams (2 x 200 pts ea)	400	B = 83 - <87%	830-869 points
✓ Final Exam	250	B- = 80 - <83%	800-829 points
<hr/>		C+ = 77 - <80%	770-799 points
<b>Total Possible Points for the Course:</b>	<b>1000</b>	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

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**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 class sessions is considered essential to optimum academic achievement. Therefore, regular attendance and participation in each course are minimal requirements. If the student is absent for more than 10 percent of class sessions, 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 withdrawal date or, after that date, receive an "F" grade. Students who anticipate being absent for an entire week of a course should contact the instructor in advance for approval and make arrangements to complete the required coursework and/or alternative assignments assigned at the discretion of the instructor. Acceptance of late work is at the discretion of the instructor and does not waive attendance requirements. Refer to [Academic Policies](#) for additional detail.

**Use of Technology:** In order to be successful in your course, 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, microphone, or webcams compatible with their computer available to use for any online or hybrid classes. Please note that any course with online proctored exams require a computer with a camera (tablets are not compatible) to complete exams online. Problems with technology do not relieve you of the responsibility of participating, turning in your assignments, or completing your class work.

**Artificial Intelligence (AI) Policy:** You are allowed to use Artificial Intelligence (AI) tools (e.g, ChatGPT) to help structure homework problem solutions, but you are not allowed to use AI tools on any quizzes or exams. If you have any doubts about using AI, please gain permission from the instructor.

**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 [Adult Undergraduate Academic and General Policies](#) for definitions of kinds of academic dishonesty and 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 result in a grade F on the official transcript.

**PLNU Academic Accommodations Policy:** PLNU is committed to providing equal opportunity for participation in all its programs, services, and activities. Students with disabilities may request course-related accommodations by contacting the Educational Access Center (EAC), located in the Bond Academic Center ([EAC@pointloma.edu](mailto:EAC@pointloma.edu) or 619-849-2486). Once a student's eligibility for an accommodation has been determined, the EAC will issue an academic accommodation plan ("AP") to all faculty who teach courses in which the student is enrolled each semester. PLNU highly recommends that students speak with their professors during the first two weeks of each semester/term about the implementation of their AP in that particular course and/or if they do not wish to utilize some or all of the elements of their AP in that course. Students who need accommodations for a disability should contact the EAC as early as possible (i.e., ideally before the beginning of the semester) to assure appropriate accommodations can be provided. It is the student's responsibility to make the first contact with the EAC.

**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 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 PC's/tablets 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 is posted in this syllabus. If you find yourself scheduled for three (3) or more final examinations on the same day, you are authorized to contact each professor to arrange a different time for one of those exams. However, unless you have three (3) or more exams on the same day, no requests for alternative final examinations will be granted.

**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.