1. **COURSE DATES, MODALITY, AND LOCATION**

This course meets on Mondays from 6:00 pm – 8:50 pm January 14 to May 9, 2019, in Founder’s Hall Room 313. The room is not equipped with computers, so you can bring a laptop, tablet, or other electronic device to each class.

This course uses the A&M-Central Texas Canvas Learning Management System described more fully later in this syllabus and accessed at: [https://tamuct.instructure.com/](https://tamuct.instructure.com/). Students must check the Canvas site frequently throughout the semester. You will use the tamuct username and password communicated to you separately to log on to this system. Canvas will be utilized for communication that includes email, announcements, grades, the syllabus, and learning materials for the duration of the course.

2. **INSTRUCTOR CONTACT INFO**

**Name:** Dr. Mary H. Kelly; Associate Professor of Finance  
**Office:** 323F Founder’s Hall  
**Phone:** 254-501-5846  
**Email:** Canvas email  
**Office Hours:** On-Campus: Mon: 2:45 - 5:45 pm. Tues: 1 – 4 pm.  
**Online Office Hours:** W &Th: 2:00 – 4:00 pm thru email & phone calls – direct & pre-arranged.  
**Other days/times:** I’m on campus and online more than my scheduled office hours, so just ask me for another day/time to meet on-campus or by phone appointment.

**Communication between Instructor and Student:** The best way to reach me is email in Canvas or at my university email of mhkelly@tamuct.edu. **Be sure to put FIN 5307 in the subject line.** I generally respond within a day or two, or sooner if I am online for virtual office hours.

**A General Discussion Board** will be set up in Canvas that will allow you to ask questions of others in the class and receive their answers or comments. Utilization of this discussion board is a key feature for class interface beyond the face-to-face class schedule.

**Administrator for Course, Department, and the College of Business Administration (COBA).**  
1) Mr. Kallum Griffin, Administrative Assistant for COBA, at: k.griffin@tamuct.edu or call 254-501.5933.  
2) COBA general assistance: Email is cobainfo@tamuct.edu. Phone is 254-519-5437.

3. **COURSE OVERVIEW AND DESCRIPTION**

Course description: Study financial decision making in the modern corporation. Explore capital budgeting, capital structure, corporate sources of funding, dividend policy, financial risk management, standard theories of risk and return, and valuation of assets.  
Prerequisite(s): FIN 5100 or Equivalent or permission of instructor.
NOTE: This course has been approved for corporate finance content that meets requirements of the a highly-regarded, external reviewer - Society of Actuaries (SOA) - in partial fulfillment for certain certifications in the broad, growing field of business analytics. Information can be found at the following link for the SOA: https://www.soa.org/Education/Exam-Req/Instructions-for-VEEDirectory.aspx

4. COURSE MATERIALS

a. **Textbook Title is:** Corporate Finance: Core Principles and Applications, 5th edition. **ISBN is:** 9781259717758. Copyright year: 2018. Published by McGraw Hill Connect. By Stephen A. Ross, Massachusetts Institute of Technology; Randolph W. Westerfield, University of Southern California; Jeffrey F. Jaffe, University of Pennsylvania; and Bradford D. Jordan, University of Kentucky.

![Textbook Cover](image)

b. **Access to Excel.**

This course emphasizes using spreadsheets for valuation techniques. The keystrokes and names of formulas in excel will differ from a financial calculator. A tutorial on how to use Excel will be posted in Canvas. Students may use a financial calculator, although the course emphasizes excel.

c. **Optional.** A Financial Calculator. The model recommended is the TI BAII Plus. A tutorial on how to use this model will be posted in Canvas. Other models use different key strokes and that can lead to wrong answers. If you use a different model, you will be responsible for knowing how to use it for material in this course.

![TI BAII Plus](image)

5. **COURSE LEARNING OBJECTIVES**

5a. Student Learning Objectives for this course (LOs) are **measurable.** By best practice, learning objectives or outcomes are not only measurable, they are explicit at both the course level and at the module/chapter level. The learning objectives for this course are listed below, followed by the learning outcomes for each chapter covered in the course. An “assessment map” is shown on the Course Calendar by stating the connection between learning objectives at both levels.
Upon successful completion of this course, a student should be able to demonstrate the following Course Learning Objectives, which will be measured during the course:

1. Explain the fundamental types of financial assets including their basic characteristics, valuation, and their pros/cons as sources of financial capital;
2. Evaluate a firm’s financial performance using its financial statements;
3. Evaluate financial alternatives from a time value of money perspective;
4. Evaluate the risk/return characteristics of different financial decisions;
5. Demonstrate financial literacy;
6. Demonstrate proficiency with financial valuations using excel or a financial calculator.
7. Recognize ethical aspects of the financial decision-making process.
8. Describe the intersection of public policy and the financial decision-making process.

5b. Learning Outcomes by Chapter are in Appendix I.

6. COURSE REQUIREMENTS AND GRADING RUBRIC

Requirements:
There will be 5 exams that align with the Modules in this course. The exams will not appear to be cumulative, but some of the material builds on itself, so you must understand earlier chapters to demonstrate your understanding of later chapters. In this sense – i.e., understanding the material – the exams will be comprehensive. Other requirements will include assignments on Discussion Boards, short quizzes, and related activities.

Late submissions are not acceptable. Exams may not be taken after the due dates. Generally, if you miss an exam and make acceptable arrangements with the professor, then it is possible for the missed points to apply to another exam or an average of other course work. This decision will be at the discretion of the professor.

Extra Credit:
There will be opportunities for extra credit during the semester. Examples include completing a post on a specific Discussion Board that contributes to an engaging class environment.

Course Calendar:
At the end of this Syllabus is a Course Calendar. It outlines the topic for each class meeting and is subject to change at the discretion of the instructor and upon consideration of class dynamics.

Grading:
The grading rubric is based on the total number or points from all requirements. Points on each exam will be scored as a percent of 100%. Points from extra credit will increase your total points vs. maximum required points; hence, it is possible to have a score over 100% on all requirements.

A is 90% or more total points
B is 80% - 89% total points
C is 70% - 79% total points
D is 60% - 69% total points
F is less than 60% total points

All grades will be posted in Canvas Gradebook. Grading will generally be done within a week of due date and many times sooner.
Incomplete Grades:
A grade of Incomplete can be given only according to university policy, which requires extenuating circumstances, such as serious illness or other necessary absences, and a grade-to-date in the course of at least a “C,” with most of the course completed. Also, an Incomplete must be completed in accordance with university policy. If this does not happen, then the “Incomplete” will be changed to an “F.” Requests should be submitted in writing and should include a detailed explanation and documentation. An address and/or telephone number where you may be contacted throughout the following full-term semester (i.e., Fall or Spring). Also, students will be required to enter into a contract with the professor to finish the course with specified requirements and within a timeframe to be determined by the professor.

7. TECHNOLOGY REQUIREMENTS FOR THE COURSE

Technology Requirements
This course will use the A&M-Central Texas Instructure Canvas learning management system. Logon to A&M-Central Texas Canvas [https://tamuct.instructure.com/] or access Canvas through the TAMUCT Online link in myCT [https://tamuct.onecampus.com/]. You will log in through our Microsoft portal.

Username: Your MyCT email address. Password: Your MyCT password

Canvas Support
Use the Canvas Help link, located at the bottom of the left-hand menu, for issues with Canvas. You can select “Chat with Canvas Support,” submit a support request through “Report a Problem,” or call the Canvas support line: 1-844-757-0953.
For issues related to course content and requirements, contact your instructor.

Other Technology Support
For login problems, students should contact Help Desk Central.
24 hours a day, 7 days a week:
Email: helpdesk@tamu.edu
Phone: (254) 519-5466
Web Chat: [http://hdc.tamu.edu]
Please let the support technician know you are an A&M-Central Texas student.
For issues related to course content and requirements, contact instructor.

8. INSTRUCTOR POLICIES

Copyright Notice.
Students should assume that all course material is copyrighted by the respective author. Reproduction of course material is prohibited without consent by the author and/or course instructor. Violation of copyright is against the law and Texas A&M University-Central Texas’ Code of Academic Honesty. All alleged violations will be reported to the Office of Student Conduct.

Copyright 2019 by Dr. Mary Kelly at Texas A&M University-Central Texas. College of Business Administration. 1001 Leadership Place, Killeen, TX 76549. Phone 254-501-5846. Fax 254-501-5825. mhkelly@tamuct.edu.

9. UNIVERSITY RESOURCES, PROCEDURES, AND POLICIES
9a. Important Dates this Semester:
Information can be found at this link for the Academic Calendar:
https://www.tamuct.edu/registrar/academic-calendar.html.

The official census date and the last date to withdraw with a W are listed in the chart below and are available on the university calendar.

<table>
<thead>
<tr>
<th>Length of Class in Weeks</th>
<th>Official Census Date</th>
<th>Last Date to Drop or Withdraw with a &quot;Q&quot; or &quot;W&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 weeks</td>
<td>Second class day</td>
<td>Friday of second week</td>
</tr>
<tr>
<td>4 or 5 weeks</td>
<td>Fourth class day</td>
<td>Friday of third week</td>
</tr>
<tr>
<td>6, 7, or 8 weeks</td>
<td>Sixth class day</td>
<td>Friday of sixth week</td>
</tr>
<tr>
<td>9, 10, or 11 weeks</td>
<td>Seventh class day</td>
<td>Friday of seventh week</td>
</tr>
</tbody>
</table>

9b. Drop Policy.
If you discover that you need to drop this class, you must go to the Registrar’s Office and complete a Drop Request Form. It should be available in Canvas. Instructors cannot drop students; this is always the responsibility of the student. The Registrar’s Office will provide a deadline on the University Calendar for which the form must be completed, signed and returned. Once you return the signed form to the Registrar’s Office, you must go into Warrior Web and confirm that you are no longer enrolled. If you still show as enrolled, FOLLOW-UP with the Registrar’s Office immediately. You are to attend class until the procedure is complete to avoid penalty for absence. Should you miss the drop deadline or fail to follow the procedure, you will receive an F in the course, which may affect your financial aid and/or VA educational benefits.

9c. 911 Cellular.
The Emergency Warning System for Texas A&M University – Central Texas is called “911Cellular.” It is an emergency notification service that gives Texas A&M University-Central Texas the ability to communicate health and safety emergency information quickly via email, text message, and social media. All students are automatically enrolled in 911 Cellular through their myCT email account.

Connect at 911Cellular [https://portal.publicsafetycloud.net/Texas-AM-Central/alert-management] to change where you receive your alerts or to opt out. By staying enrolled in 911Cellular, university officials can quickly pass on safety-related information, regardless of your location.

9d. Academic Integrity.
Texas A&M University -Central Texas values the integrity of the academic enterprise and strives for the highest standards of academic conduct. A&M-Central Texas expects its students, faculty, and staff to support the adherence to high standards of personal and scholarly conduct to preserve the honor and integrity of the creative community. Academic integrity is defined as a commitment to honesty, trust, fairness, respect, and responsibility. Any deviation by students from this expectation may result in a failing grade for the assignment and potentially a failing grade for the course. Academic misconduct is any act that improperly affects a true and honest evaluation of a student’s academic performance and includes,
but is not limited to, cheating on an examination or other academic work, plagiarism and improper citation of sources, using another student’s work, collusion, and the abuse of resource materials. All academic misconduct concerns will be reported to the university’s Office of Student Conduct. Ignorance of the university’s standards and expectations is never an excuse to act with a lack of integrity. When in doubt on collaboration, citation, or any issue, please contact your instructor before taking a course of action.

For more information regarding the Student Conduct process, [https://tamuct.campuslabs.com/engage/organization/tamuct-student-conduct-panel].

If you know of potential honor violations by other students, you may submit a report, [https://cm.maxient.com/reportingform.php?TAMUCentralTexas&layout_id=0].

9e. Academic Accommodations.
At Texas A&M University-Central Texas, we value an inclusive learning environment where every student has an equal chance to succeed and has the right to a barrier-free education. The Office of Access and Inclusion is responsible for ensuring that students with a disability receive equal access to the university’s programs, services and activities. If you believe you have a disability requiring reasonable accommodations, please contact the Office of Access and Inclusion at (254) 519-5797. Any information you provide is private and confidential and will be treated as such.

For more information please visit our Access & Inclusion web page [https://www.tamuct.edu/student-affairs/access-inclusion.html].

9f. Important information for Pregnant and/or Parenting Students.
Texas A&M University-Central Texas supports students who are pregnant and/or parenting. In accordance with requirements of Title IX and related guidance from US Department of Education’s Office of Civil Rights, the Dean of Student Affairs’ Office can assist students who are pregnant and/or parenting in seeking accommodations related to pregnancy and/or parenting. Students should seek out assistance as early in the pregnancy as possible. For more information, please visit the Student Affairs web page [https://www.tamuct.edu/student-affairs/index.html]. Students may also contact the institution’s Title IX Coordinator. If you would like to read more about these requirements and guidelines online, please visit the website [http://www2.ed.gov/about/offices/list/ocr/docs/pregnancy.pdf].

9g. Title IX of the Education Amendments Act of 1972
This legislation prohibits discrimination on the basis of sex and gender—including pregnancy, parenting, and all related conditions. A&M-Central Texas is able to provide flexible and individualized reasonable accommodation to pregnant and parenting students. All pregnant and parenting students should contact the Associate Dean in the Division of Student Affairs at (254) 501-5909 to seek out assistance. Students may also contact the University’s Title IX Coordinator.

9h. Tutoring.
Tutoring is available to all A&M-Central Texas students, both on-campus and online. Subjects tutored on campus include Accounting, Advanced Math, Biology, Finance, Statistics, Mathematics, and Study Skills. Tutors are available at the Tutoring Center in Warrior Hall, Suite 111.

If you have a question regarding tutor schedules, need to schedule a tutoring session, are interested in becoming a tutor, or have any other question, contact Academic Support Programs at (254) 519-5796, or by emailing Dr. DeEadra Albert-Green at deeadra.albertgreen@tamuct.edu.
Chat live with a tutor 24/7 for almost any subject from on your computer! Tutor.com is an online tutoring platform that enables A&M-Central Texas students to log in and receive FREE online tutoring and writing support. This tool provides tutoring in over 40 subject areas. Access Tutor.com through Canvas.

9i. University Writing Center.
Located in Warrior Hall 416, the University Writing Center (UWC) at Texas A&M University–Central Texas (TAMUCT) is a free workspace open to all TAMUCT students from 10:00 a.m.-5:00 p.m. Monday thru Thursday with satellite hours in the University Library Monday thru Thursday from 6:00-9:00 p.m. This semester, the UWC is also offering online only hours from 12:00-3:00 p.m. on Saturdays.

Tutors are prepared to help writers of all levels and abilities at any stage of the writing process. While tutors will not write, edit, or grade papers, they will assist students in developing more effective composing practices. By providing a practice audience for students’ ideas and writing, our tutors highlight the ways in which they read and interpret students’ texts, offering guidance and support throughout the various stages of the writing process. In addition, students may work independently in the UWC by checking out a laptop that runs the Microsoft Office suite and connects to WIFI, or by consulting our resources on writing, including all of the relevant style guides. Whether you need help brainstorming ideas, organizing an essay, proofreading, understanding proper citation practices, or just want a quiet place to work, the UWC is here to help!

Students may arrange a one-on-one session with a trained and experienced writing tutor by visiting the UWC during normal operating hours (both half-hour and hour sessions are available) or by making an appointment via WCOnline. In addition, you can email Dr. Bruce Bowles Jr. at bruce.bowles@tamuct.edu if you have any questions about the UWC and/or need any assistance with scheduling.

9j. University Library.
The University Library provides many services in support of research across campus and at a distance. We offer over 200 electronic databases containing approximately 250,000 eBooks and 82,000 journals, in addition to the 85,000 items in our print collection, which can be mailed to students who live more than 50 miles from campus. Research guides for each subject taught at A&M-Central Texas are available through our website to help students navigate these resources. On campus, the library offers technology including cameras, laptops, microphones, webcams, and digital sound recorders.

Research assistance from a librarian is also available 24 hours a day through our online chat service, and at the reference desk when the library is open. Research sessions can be scheduled for more comprehensive assistance and may take place on Skype or in-person at the library. Assistance may cover many topics, including how to find articles in peer-reviewed journals, how to cite resources, and how to piece together research for written assignments.

Our 27,000-square-foot facility on the A&M-Central Texas main campus includes student lounges, private study rooms, group work spaces, computer labs, family areas suitable for all ages, and many other features. Services such as interlibrary loan, TexShare, binding, and laminating are available. The library frequently offers workshops, tours, readings, and other events. For more information, please visit our Library website [http://tamuct.libguides.com/index].

9k. A Note about Sexual Violence at A&M-Central Texas.
Sexual violence is a serious safety, social justice, and public health issue. The university offers support for anyone struggling with these issues. University faculty are mandated reporters, so if someone discloses
that they were sexually assaulted (or a victim of Domestic/Dating Violence or Stalking) while a student at TAMUCT, faculty members are required to inform the Title IX Office. If you want to discuss any of these issues confidentially, you can do so through Student Counseling (254-501-5955) located on the second floor of Warrior Hall (207L).

Sexual violence can occur on our campus because predators often feel emboldened, and victims often feel silenced or shamed. It is incumbent on ALL of us to find ways to actively create environments that tell predators we don’t agree with their behaviors and tell survivors we will support them. Your actions matter. Don’t be a bystander; be an agent of change. For additional information on campus policy and resources visit the Title IX webpage [https://www.tamuct.edu/departments/compliance/titleix.php].

10. COMMUNICATION GUIDELINES – FACE-TO-FACE AND ONLINE - NETEQUITTE

Online communication is a very critical component of any online environment, even for some face-to-face courses that post materials online in Canvas. If online, you are expected to conduct yourself in the same respectful manner, whether in the face-to-face classroom or in online communications. Be sure to abide by the following guidelines when participating in the various methods of communication with instructors and classmates:

1. Think through your response before responding. Before you submit your comments, proofread your comments to minimize any misunderstandings.
2. Do not capitalize everything. Capital letters may be used for EMPHASIS, BUT IT MAY APPEAR THAT YOU'RE SHOUTING!
3. Keep conversations free from offensive language. The online course is an environment for positive feedback and productive dialogue. Profanity will not be tolerated.
4. Use correct spelling and proper grammar. Keep your responses on topic and concise. Do not write long responses, for they will not likely be read or may take too much of another person's time.
5. Do not ramble. You are not the only person behind a keyboard. Be mindful of others' feelings and treat them with the respect everyone deserves.
6. Communicate respectfully.

In this course, you are also expected to abide by the University's student code of conduct and the policies on classroom. View the University's Student Code of Conduct online [Links to an external site]. Visit the Office of Student Conduct Website here. [Links to an external site].

11. ADDITIONAL INFORMATION:

An important component of a learner-centered syllabus is a section directed to you – the student - that explains the instructor’s teaching philosophy for this course. Here it is:

My expectations are for you to develop reasonable proficiency beyond an introductory level with several established theories about financial valuation, and to demonstrate a thorough understanding of valuation techniques applied to the risk - return relationship. I am always enthusiastic about teaching finance and discussing professional development with students! Remember: the best way to reach me is Canvas email or my university email of mhkelly@tamuct.edu with FIN 5307 in the subject line.
### 12. COURSE CALENDAR
Below is a tentative course calendar. It may change at discretion of professor and class dynamics.

<table>
<thead>
<tr>
<th>MODULES #1-6 AND DATE OF CLASS IN WEEKS #1 - 17</th>
<th>TOPIC</th>
<th>CHAPTERS OR PARTS OF CHAPTERS COVERED PER TOPIC IN MODULE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MODULE 1</strong></td>
<td>Managerial Finance at the Firm-level and Characteristics of the Financial Markets</td>
<td>Ch 1. Parts of Ch 6. Parts of Ch 13.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Week 1 Jan 14</th>
<th>Introduction, Syllabus, Tutoring Center. An Overview of Managerial Finance</th>
<th>Syllabus, Text, Ch 1 Module 1 Learning Materials in Canvas</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Week 2 Jan 21</strong></td>
<td>CAMPUS CLOSED - FEDERAL HOLIDAY – MARTIN LUTHER KING DAY</td>
<td>Module 1 Learning Materials in Canvas</td>
</tr>
<tr>
<td><strong>Week 3 Jan 28</strong></td>
<td>Efficient Market Hypothesis (EMH) Portfolio Theory for 3 Forms of Efficiency</td>
<td></td>
</tr>
<tr>
<td><strong>EXAM 1 (course LO #1,2,5,6,7,8 as stated above in Section 5a)</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MONTH 2</th>
<th>Financial Statement Analysis by:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REQUIRED</strong>: E-reserve from Library and Post on Discussion Board. Episode from Law &amp; Order: CI that highlights importance of knowing the language of Finance and</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Module 2 Learning Materials in Canvas</th>
</tr>
</thead>
</table>
Week 5  
Feb 11  
Know why Free Cash Flow ≠ Net Income and how to calculate Free Cash Flow.

**REQUIRED:** FREE CASH FLOW ASSIGNMENT

**REQUIRED:** Financial Ratio Analysis.  
Benchmarking. 
Using Excel.

Week 6  
Feb 18  
**REQUIRED:** YOUTUBE Video on Ratios Beyond Text that were Created in Real World and are on Exam.  
See Canvas instructions: [https://www.youtube.com/watch?v=ZCaeMTSTWYs](https://www.youtube.com/watch?v=ZCaeMTSTWYs)

**EXAM 2 (course LO #1,2,5,6,7,8 as stated above in Section 5a)**

Week 7  
Feb 25  
**MODULE 3**  
Time Value of Money (TVM) Concepts & Calculations

Week 8  
March 4  
Time Value of Money (TVM) using TIBA II+ Financial Calculator vs Excel

TVM Calculations for:  
(a) Lump Sum Situations.  
(b) Annuity Situations.

**EXAM 3a (course LO #1,2,5,6,7,8 as stated above in Section 5a)**

Week 9  
March 11  
---------------Spring Break---------------

Week 10  
March 18  
TVM continued for:  
(c) Net Present Value Technique for Uneven Cash Flow Situations  
(d) Net Present Value Technique for Capital Budgeting Situations  
(e) Other Techniques for Capital Budgeting Situations - Internal Rate of Return or IRR, Payback Period, etc.

**EXAM 3a (course LO #1,2,5,6,7,8 as stated above in Section 5a)**

Module 2 Learning Materials in Canvas.
Parts of Ch 3, especially Sect 3.1, 3.2, 3.3, 3.6

Module 2 Learning Materials Posted in Canvas

Module 2 Learning Materials in Canvas

Parts of Ch 3, especially Sect 3.1, 3.2, 3.3, 3.6

Module 3 Learning Materials in Canvas

Ch 4, especially Sect 4.1, 4.2, 4.4

Module 3 Learning Materials in Canvas

Ch 4.
Parts of Ch 7. Parts of Ch 8.
Module 3 Learning Materials in Canvas
<table>
<thead>
<tr>
<th>Module 4</th>
<th>Bonds - Characteristics and Valuation</th>
<th>Ch 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 11, March 25</td>
<td>Bonds - Characteristics and Valuation</td>
<td>Ch 5</td>
</tr>
<tr>
<td>Week 12, April 1</td>
<td>Bonds - Characteristics and Valuation cont.</td>
<td>Ch 5 cont.</td>
</tr>
<tr>
<td></td>
<td>EXAM 3b (course LO #1,2,5,6,7,8 as stated above in Section 5a)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 13, April 8</td>
<td>The Risk-Return Relationship for Stocks</td>
<td>Module 5 Learning Materials in Canvas</td>
</tr>
<tr>
<td></td>
<td>Dividends are a Distribution to Shareholders</td>
<td>Ch 10 - p 292 and skim pp 291-295</td>
</tr>
<tr>
<td></td>
<td>Dividends and The Signaling Theory</td>
<td>Ch 16 – skim; pp 480 – 492</td>
</tr>
<tr>
<td></td>
<td>The Dividend Discount Model (DDM), its multiple names, its use for stocks with: (a) constant growth of the dividend; (b) non-constant growth of the dividend; (c) estimating a dividend.</td>
<td>Ch 6</td>
</tr>
<tr>
<td></td>
<td>Exam 4 (course LO #1,3,4,6,7 as stated above in Section 5a)</td>
<td>Pp 300 - 305</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Module 6</td>
<td>Tying it all Together (i.e., Concepts, Calculations, Theories, and Decisions in the Real World)</td>
<td>Parts of Chaps 12, 13</td>
</tr>
<tr>
<td>Week 16, April 29</td>
<td>Calculating the Weighted Average Cost of Capital (WACC pronounced wack)</td>
<td>Ch 12 - skim pp 368-383 for WACC</td>
</tr>
<tr>
<td>Week 17, May 6</td>
<td>Behavioral Finance and Efficient Markets Theories</td>
<td>Ch 13 – Review pp 395 - 417</td>
</tr>
</tbody>
</table>
APPENDIX I.

Student Learning Outcomes by Chapter.

(Below is: Chapter Number, Chapter Title, Course Learning Outcome as listed above in 5a)

Ch 1. AN OVERVIEW OF MANAGERIAL FINANCE (course LO #2, 8 as stated in Sect 5a)
   a. Discuss the basic types of financial management decisions, the role of the financial manager,
       the agency theory, and ethical aspects of managerial finance.
   b. Identify the goal of financial management.
   c. Compare the financial implications of the different forms of business organizations.
   d. Describe the conflicts of interest that can arise between managers and owners.
   e. Discuss the role of ethics and corporate governance in a well-functioning economic system.

Ch 2 and Ch 3. ANALYSIS OF FINANCIAL STATEMENTS (course LO #2, 5 – 8 as stated in Sect 5a)
   a. Read and interpret the information provided in a firm’s basic financial statements.
   b. Standardize financial statements for comparison purchases.
   c. Compute and interpret common financial ratios.
   d. Assess the determinants of a firm’s financial performance.
   e. Identify and explain some of the problems and pitfalls in financial statement analysis.

Ch 4. THE TIME VALUE OF MONEY (TVM) (course LO #1, 3, 4 – 7 as stated in Sect 5a)
   a. Determine the future value of an investment made today.
   b. Determine the present value of cash to be received in the future.
   c. Calculate the rate of return on an investment.
   d. Given any 4 of the TVM variables (n, k, pv, pmt, fv), calculate the unknown variable.
   e. Determine the future and present value of investments with multiple cash flows.

Ch 5. THE COST OF MONEY (INTEREST RATES) and BONDS (course LO #1, 3, 4-7 as stated in Sect 5a)
   a. Identify important bond features and types of bonds.
   b. Describe how bond are valued and why bond values fluctuate.
   c. Discuss bond ratings and what they mean.
   d. Evaluate the impact of inflation on interest rates and bond values.
   e. Explain the bond structure of interest rates and the determinants of bond yields.
   f. Describe the cost of money and the factors that influence interest rates.
   g. Describe how interest rates are determined.
   h. Describe the yield curve and discuss how to interpret the markets expectations of future
      interest rates based on the shape of the yield curve.
Ch 6. THE FINANCIAL ENVIRONMENT (course LO #1, 6 as stated in Sect 5a)
   a. Describe the role the financial markets play in determining living standards and economic growth.
   b. Distinguish between the various types of financial markets.
   c. Describe the various types of financial intermediaries and their functions.

Ch 7 and Ch 8. CAPITAL BUDGETING - VALUATIONS AND DECISION-MAKING (course LO #1, 3 – 8 as stated in Sect 5a)
   a. Describe the general nature and process of capital budgeting.
   b. Calculate a project’s NPV and justify a go/no go decision.
   c. Calculate a project’s IRR and justify a go/no go decision.
   d. Explain ranking conflicts and the conditions under which they are likely to occur.

Ch 10, 11, 12, and parts of 6. THE RISK-RETURN RELATIONSHIP and STOCK VALUATION (course LO #1, 3 – 7 as stated in Sect 5a)
   a. Assess how stock prices depend on future dividends and dividend growth.
   b. Identify the rights and privileges of stockholders.
   c. Explain how stock markets work.
   d. Explain the basic concept of risk in finance.
   e. Calculate the rate of return on an investment.
   f. Distinguish between diversifiable and non-diversifiable risk and how diversifiable risk can be eliminated.
   g. Describe the components of an asset’s risk premium.
   h. Identify different types of risk.
   i. Discuss the impact on changes in interest rates (required rates of return) affect the value of financial assets.

Ch 13, Ch 14, Ch 15, Ch 16. DISTRIBUTION OF RETAINED EARNINGS; FINANCE THEORY (course LO #1 – 8 as stated in Sect 5a)
   a. Discuss dividend policy decisions.
   b. Describe stock dividends and stock splits.
   c. Describe stock repurchases.
   d. Understand differences in dividend policies around the world.
   e. Understand Finance Theories: Miller & Modigliani, Efficient Markets Hypothesis; Signaling.
   f. Understand the meaning of Behavioral Finance.

Ch 13, 14, 15 - parts on CAPITAL STRUCTURE AND THE COST OF CAPITAL (course LO #1, 3-8 as stated in Sect 5a)
   a. Discuss the effects of financial leverage.
   b. Analyze the determinants of a firm’s optimal capital structure.
   c. Discuss the intersection of public policy and decision-making process for capital structure.
   d. Discuss the essentials of the bankruptcy process.
   e. Calculate the component cost of capital for debt, preferred stock, retained earnings, and new common equity.
   f. Describe the weighted average cost of capital (WACC).
g. Discuss the relationship between WACC and investors’ required rates of return.