

COURSE SYLLABUS

Fall 2007

**COURSE:** FIN3014 - PRINCIPLES OF BUSINESS FINANCE  
**PLACE & TIME** BB 2.01.02 MW 9:30–10:45 AM (Sec 1-10), 7:00–8:15PM (Sec 12-21)  
**INSTRUCTOR:** Dr. Thomas Thomson  
**OFFICE:** BB 4.02.52  
**OFFICE HOURS:** Mon & Wed 12:15 PM–1:45 PM, 8:15–8:45 PM and by appointment  
**WWW Homepage:** <http://faculty.business.utsa.edu/tthomson>  
**EMAIL:** thomas.thomson@utsa.edu **PHONE:** 458-5306

**Textbook and Resource Materials:**

Custom Published from: Megginson, William. L. and Scott B. Smart. 2006. Introduction to Corporate Finance. Thomson – Southwestern. Chapters 1-10, 16.

You should also keep current with business and finance news in publications such as *THE WALL STREET JOURNAL*

An HP 10BII is the recommended financial calculator. All examples shown in class will use this calculator. If you choose to use another, **it is your responsibility** to learn to use it. Bring it to every class, starting with the second class.

**Prerequisites:**

ACC 2013, ACC 2033, MS1023, and MAT1033

**Course Objective:**

You will understand what finance is and how the components of finance contribute to the house of value creation. You will understand and be able to apply the fundamental equation of finance to various business situations – especially in your chosen career field. You will be a value creator. You will easily answer the question, “What is finance?”

**Course Outline:**

Week	Topics	Reading (Chapters)
1	Course Introduction	1
2	Review of Financial Statements and Ratios	2
3-5	Time Value of Money	3
6	Bond Valuation	4
7	Stock Valuation	5
8	Risk and Return – Historical security returns	6
9	Capital Asset Pricing Model	7
10	Introduction to Capital Budgeting, Exam 2	8
11	Cash Flows and Capital Budgeting	9
12	Risk and Capital Budgeting – Leverage, WACC	10
13	Introduction to International Finance	16
14	Special topics	TBA

“It would be devastating to the egos of the intelligentsia to realize, much less admit, that businesses have done more to reduce poverty than all the intellectuals put together. Ultimately it is only wealth that can reduce poverty and most of the intelligentsia have no interest whatever in finding out what actions and policies increase the national wealth.” Thomas Sowell from <http://www.townhall.com/columnists/thomassowell/ts20050512.shtml>

## Evaluation:

The lab assignments (100 points total), two midterm exams (100 points each) and a **comprehensive** final exam (200 points) will measure your success in this course. Each midterm exam will consist of 25 multiple-choice questions (worth 4 points each). The comprehensive final exam will consist of 50 multiple-choice questions (worth 4 points each). If you cannot be present at an exam, you must discuss your situation with the instructor before the scheduled exam date to determine if a makeup exam will be permitted.

Grades will be assigned to the following achievements. The instructor reserves the right to lower (but not raise) the cutoffs presented below.

Letter Grade	Points
A	450 – 500+
B	400 – 449.9
C	350 – 399.9
D	300 – 349.9
F	0 – 299.9

## Exams

The proposed exam dates are given below. Depending on our progress, the chapters included may be revised. In addition to the text materials, exams will test materials covered in class that may not appear in the textbook. Any revision announced in class supercedes the schedule below:

Midterm Exam 1: **Wednesday October 3, 2007;**

Chapters 1-3 & lecture material

Midterm Exam 2: **Wednesday November 7, 2007;**

Chapters 4-7 & lecture material

Final Exam: **Tuesday December 11, 2007, 7:30 AM** (Sections 1-10); **1:30 PM** (Section 11)

**Wednesday December 5, 2007, 7:00 PM** (Sections 12-21)

same as midterm exams plus: Chapters 8-10, 16 & lecture material

The course website has a page of the formula's that will be included with each exam. You are encouraged to use this formula page while studying. When taking exams, you will be allowed only the exam paper, your calculator, a ParSCORE, and Number 2 pencils. Many of the exam questions will be based on the Quizzes posted on the course website. Other exam questions will be based on examples shown in class; homework assigned in the labs, or problems from the end of each chapter. The details regarding taking exams are provided on the course website.

**All exams and all your work on exams are the property of the instructor.** The course TA's are responsible for grading your work. You are encouraged to review your exams during TA office hours.

**Student Conduct in Class:** All students are expected to exercise self-discipline and a respect for the rights of others at all times. Students acting in a disruptive manner will be asked to leave the classroom. Please turnoff all noise making sources (cell phone and pager ringers, for example), before class. All students are expected to abide by the UTSA Honor Code (Your UTSA Honor Pledge states, "**On my honor, as a student of The University of Texas at San Antonio, I will uphold the highest standards of academic integrity and personal accountability for the advancement of the dignity and the reputation of our university and myself.**") and the Student Code of Conduct, which can be found at <http://www.utsa.edu/infoguide/appendiceb.cfm>. Any student suspected of participating in any academic dishonesty will be reported to Student Judicial Affairs, and the Instructor will recommend an automatic F for the course grade.

**Course Revisions:** Any revisions to this syllabus will be announced in class.

**Drop Date:** The last day to drop an individual course is Tuesday October 23, 2007. Check the official UTSA academic calendar for any changes to this date.