

**Fin 303**

Spring 2007

Section 002

Monday, Wednesday and Friday, 11:00 – 11:50 am

**Instructor:** Anne Gleason  
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**E-mail Address:** [agleason1959@gmail.com](mailto:agleason1959@gmail.com)  
**Office Hours:** 12:00 pm – 1:00 pm Monday and Wednesday  
2:00 pm – 3:00 pm Wednesday and Friday  
11:00 am – 12:00 pm Tuesday and Thursday  
or by appointment

**Text:** Keown, Martin, Petty and Scott, Foundations of Finance,  
5th Edition

**Purpose:** To provide a working knowledge of key concepts, problems and  
applications of financial decision making as related to the  
financial management of the firm.

**Grades:**

1. The grade in this class will be based on three noncumulative in-class exams and a cumulative final exam. The exams will each count as 20% of the final grade. However, if the final exam grade is higher than one of the in-class exams, it may replace that one in-class exam grade. Therefore the final exam may count up to 40% of the final grade.
2. In addition, one written assignment will be made during the semester. This assignment will consist of a financial analysis of a company and the collection of several articles on that company or the industry or the economy and will be worth 10% of the student's final grade.
3. The last 10% of the grade will come from the student's average quiz grade. Several quizzes will be given during the semester. These quizzes may or may not be announced and may also be take-home. The point value for each quiz will vary depending on the material that is covered. The point value for each quiz will be announced at the time that the quiz is administered.
4. If a student misses no more than three days of class during the semester, the lowest quiz grade will be dropped. If the student misses more than three days of class no quiz grade will be dropped. Attendance will be taken at the beginning of class and if a student is late for class it will count as an absence. Exceptions may be made at the discretion of the instructor for students that talk to the instructor in advance. Quizzes must be turned in on the day they

are due at the beginning of class in order to receive full credit. Quizzes that are turned in late will generally receive partial credit as determined by the instructor. Exceptions can again be made if the student calls the instructor in advance. E-mail messages can also be used to contact the instructor in advance. A seating chart will be developed the first week of class to aid in the taking of attendance. Please stay in the same seat all semester or talk to the instructor about any changes.

5. Students that miss class or assignments and want the instructor to make an exception must have the reason they miss verified by the office of the Associate Dean of Students and CARE (at 67 George Street). The instructor will still determine if the reason is valid after it has been verified.
6. If a student misses one of the in-class exams, the final exam will automatically count as 40% of the final grade. Therefore, no-make-up exams will be given. Exceptions may be made at the discretion of the instructor. If the final exam is missed, a make-up exam will be scheduled at the convenience of the instructor. However, the student must provide in advance a reason for missing the exam (such as illness or death in the family), and any such reasons must be verified by the Associated Dean of Students and CARE office at 67 George Street. The instructor will determine if the reason is valid. If the reason is not valid, the student will receive a grade of zero on the final exam.
7. The exams will be closed books and notes. One 3 x 5 card will be allowed on each exam. The student may write anything he/she wishes on the front and back of this card. It is the student's responsibility to make sure that all important formulas are included on the card. The instructor will not provide formulas during an exam. If the card is larger than 3 x 5, it will be confiscated. Calculators will also be necessary for all exams. The student is responsible for understanding how to use their calculator. The instructor will provide no calculator instruction during the exam. No sharing of calculators or cards is allowed.
8. The exams will be a combination of problem and multiple choice questions. The exact combination of problems and multiple choice questions will be determined by the material covered and will be announced in class before each exam.
9. A pencil must be used for all exams. If a pen is used 5 points will be deducted from the grade on the exam. Students must provide their own pencils.
10. Exams will not be handed back in class. Students are not allowed to keep their exams. If anyone has any questions or wants to review their exam, they must see me outside of class during office hours. Exams will be available for review until the next exam. They will not be available for review after that period. This means the student has approximately one month to review their exam if they wish to do so.

11. No cell phones will be allowed for any reason on any exam during the semester. Cell phones should be turned off and stowed in a secure location during exams as a courtesy to other students. In addition, as a courtesy to other students in the class, cell phones should be on vibrate only during regular classes and no text messaging or pictures should be done in the middle of class.

### **Notes to Students:**

1. There will be an optional review session before each exam. I will answer all relevant questions but will not discuss the exam directly. In addition, there will generally be a review sheet handed out before each exam.
2. The student will be responsible for all materials in the assigned readings, handouts and homework. It is the student's responsibility to obtain any information missed due to non-attendance.
3. Homework problems will be assigned. However, these problems will not be collected or graded. It is the student's responsibility to keep up with the work in class. A few selected problems may be worked in class.
4. The written assignment will be graded on content, grammar, spelling and presentation (they must be typed). They must be turned in at the beginning of class on the day they are due. If the written assignment is turned in late in class it will be considered one day late and ten points will be deducted from the score. For each additional day it is late another ten points will be deducted from the score.
5. This College abides by section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act that stipulates no student shall be denied access to an education "solely by reason of a handicap." Disabilities covered by law include, but are not limited to, learning disabilities and hearing, sight or mobility impairments. If you have a documented disability that may have some impact on your work in this class and for which you may require accommodations, please see an administrator at the Center of Disability Services, (843) 953-1431 or me so that such accommodation may be arranged.

### **Honor Code:**

Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each instance is examined to determine the degree of deception involved.

Incidents where the professor believes the student's actions are clearly related more to ignorance, miscommunication, or uncertainty, can be addressed by consultation with the student. We will craft a written resolution designed to help prevent the student from

repeating the error in the future. The resolution, submitted by form and signed by both the professor and the student, is forwarded to the Dean of Students and remains on file.

Cases of suspected academic dishonesty will be reported directly to the Dean of Students. A student found responsible for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student's transcript for two years after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board.

It is important for students to remember that unauthorized collaboration--working together without permission-- is a form of cheating. Unless a professor specifies that students can work together on an assignment and/or test, no collaboration is permitted. Other forms of cheating include possessing or using an unauthorized study aid (such as a PDA), copying from another's exam, fabricating data, and giving unauthorized assistance.

Remember, research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the professor.

Students can find a complete version of the Honor Code and all related processes in the *Student Handbook* at [http://www.cofc.edu/studentaffairs/general\\_info/studenthandbook.html](http://www.cofc.edu/studentaffairs/general_info/studenthandbook.html).

### **Important Dates to Remember:**

Tuesday, February 20 – Last Day to Withdraw from classes with a grade of 'W'  
Monday, January 15 – Martin Luther King Holiday  
Monday - Friday, March 5 – 9 – Spring Break  
**Monday, April 30 – Final Exam - 12:00 pm – 3:00 pm**

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|-------------------------------------|--------|--------------------|
| <b><u>Tentative Exam Dates:</u></b> | Test 1 | Friday, February 9 |
|                                     | Test 2 | Friday, March 16   |
|                                     | Test 3 | Friday, April 20   |

### **Course Outline (Subject to Change):**

1. Introduction Chapter 1
2. Legal and Tax Environment, Markets and Interest Rates Chapter 1, 2, 3  
Chapter 1 Problems: 1, 2, 3  
Chapter 2 Problems: 2, 3, 4  
Chapter 3 Problems: 7, 8

3. Risk and Return Chapter 6  
Problems: 1, 2, 3, 4
4. Financial Analysis Chapter 4  
Problems: 2, 3, 4, 5
5. Mathematics of Finance Chapter 5  
Problems: 1, 2, 3, 4, 5, 6, 7, 9, 10, 12, 14, 17, 19, 24, 27, 31, 32, 34
6. Valuations of Securities Chapter 7, 8  
Chapter 7 Problems: 1, 3, 5, 7, 9  
Chapter 8 Problems: 1, 2, 4, 5, 8, 10, 12
7. Capital Budgeting Concepts Chapter 9, 10  
Chapter 10 Problems: 5, 6, 8  
Chapter 9 Problems: 5, 6, 7
8. Cost of Capital Chapter 11  
Problems: 1, 2, 4, 5, 7, 8
9. Analysis and Impact of Leverage Chapter 12  
Problems: 3, 6, 8
10. Capital Structure Theory Chapter 12
11. Dividend Policy and Theory Chapter 13
12. Working Capital Management Chapter 15
13. Liquid Asset Management Chapter 16  
Problems: 12