

FIN 3403  
Business Finance

Tentative Course Syllabus  
Spring 2012 Term

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**COURSE INSTRUCTOR**

Professor John C. Banko, Ph.D., CFA

Lecturer of Finance

Live Class: Tuesday and Thursday, Periods 4 & 5 (10:40 - 11:30; 11:45 - 12:35)

Classroom: Bryan Hall, Room 130

Office: David Stuzin Hall, Room 331

Office Hours: Tuesday & Thursdays (9:00 a.m. - 10:15 a.m.)

Phone: (352) 392-6395 (use e-mail instead of voice mail -- see next line)

E-Mail: [fin3403.questions@cba.ufl.edu](mailto:fin3403.questions@cba.ufl.edu)

**TEACHING ASSISTANTS**

TA Office: 225 Bryan Hall

Student may contact the TA's directly (preferred) in the TA office, or by using instant messaging during their office hours:

AOL: [fin3403live@warrington.ufl.edu](mailto:fin3403live@warrington.ufl.edu)

MSN: [fin3403live@warrington.ufl.edu](mailto:fin3403live@warrington.ufl.edu)

Yahoo: [fin3403live@yahoo.com](mailto:fin3403live@yahoo.com)

GTalk: [fin3403live@gmail.com](mailto:fin3403live@gmail.com)

or through Skype: FIN3403live Skype.

Please keep in mind that a single TA cannot assist a student directly, and use instant messaging, and use Skype, and use Elluminate, all at the same time.

A major component of FIN 3403 is the responsibilities given to and expected of the TA's. Responsibilities include:

1. TA's will discuss with the instructor feedback they are receiving from students; discuss criteria for grading assignments; help determine assignments/exercises for the discussion groups on an ongoing basis; and help determine future projects.

2. TA's will mentor, facilitate, and monitor the activities of their discussion group and determine the scores each student will receive for participation in the graded discussion boards.
3. TA's will determine the acceptability and scores of the course projects submitted by students.
4. TA's will respond to e-mails or discussion group postings from members of their discussion group concerning questions the students may have about the class or material being covered in the class.
5. Each TA will hold 1-2 hours of office hours each week and, collectively, TA's will hold 40-50 hours of office hours each week, with additional extended hours the week before an exam: TA's are encouraged to develop a professional relationship with the members of their discussion group and meet/interact with students as needed.
6. TA's will hold live reviews before each exam to work through sample problems and answer questions from students.
7. TA's will help to proctor the exams and on-campus students will be assigned to exam rooms based on their TA/group assignment, rather than the first letter of their last name.

### COURSE PREREQUISITE

ACG 2021C or an equivalent course as approved by the College's Undergraduate Programs Office, Room 267 David Stuzin Hall, Phone: 273-0165.

### COURSE REGISTRATION

The Drop/Add period for the Spring 2012 term ends Friday, January 13<sup>th</sup>, at 11:59 pm. On Saturday, January 14<sup>th</sup>, students are assigned to groups. A group assignment is required to access several course assignments, plus room assignments for the three on-campus exams.

If you add this class after January 13<sup>th</sup>, you will not be assigned to a group and cannot proceed with the course. You will be required to drop this class.

### ACCESSING THE COURSE WEBSITE

This course is presented via the University of Florida's Sakai e-Learning course management system.

You should create a shortcut (link or favorite) in your browser that will take you directly to the Sakai login site: <http://lss.at.ufl.edu>

Then,

1. Log in using your GatorLink user name and password.
2. Choose FIN 3403 from the list of courses.
3. Choose <Lessons> in the left-hand menu to access the course materials

Note that you must be registered for this course to be allowed access to the course materials. Also note that it may take 24-48 hours for Sakai to be updated with the latest enrollment data from the Registrar's Office. Therefore, if you have just added the course and are denied access, try again in 24-48 hours.

### COURSE MATERIALS TO PURCHASE FROM BOOKSTORE / ONLINE

1. *Fundamentals of Financial Management (12 Edition)*, Eugene F. Brigham and Joel F. Houston, Thompson/South-Western, 2010.

Note 1: Students may purchase the 11<sup>th</sup> or 10<sup>th</sup> Edition of the book, typically at a cheaper price, through various online booksellers. However, there are minor differences between the 10<sup>th</sup>, 11<sup>th</sup>, and 12<sup>th</sup> editions; mainly in the order of the chapter. These differences should not impact your ability to perform well in this class, but you may need to map the chapters in the 10<sup>th</sup> or 11<sup>th</sup> Edition to those assigned in the 12<sup>th</sup> Edition. This is your responsibility, not mine.

2. Calculator. You must have a financial calculator to get through the course. Many of the exam and course problems involve complex financial calculations and a financial calculator is necessary to solve them.

I recommend the HP-10BII. The 10BII will do everything needed in this and all other undergraduate finance classes. I will use the HP-10BII in class, and will explain how to do various problems with it. The TA's will all know how to help you with an HP-10BII, but you may have trouble getting help with a different calculator.

*Note: because of past problems with inappropriate use, the department has now instituted a policy whereby students will NOT be allowed to use ANY calculator that can store text, such as the TI-83. Students caught using such a calculator on an exam will be referred to the Office of Student Conduct and Conflict Resolution for disciplinary action.*

The ability to use a financial calculator is critical for success in this class. You are responsible for learning how to operate your financial calculator - and it is crucial that you are familiar with the financial functions of your calculator by the time we begin Chapter 5 and the statistical functions by Chapter 8. You should bring both your calculator and the PowerPoint slides (note shells) to class. A calculator tutorial for the 10-BII is included on the course website.

You will not be permitted to bring the calculator's User Manual to exams. Students may not share calculators on exams. Please check your batteries before exams. In the past, many students bring extra batteries (or an extra calculator) to the exam just in case the batteries in their calculator should happen to fail during the exam; bringing multiple calculators to the exam, including non-financial calculators, is permitted. This is a very good precautionary measure.

## COURSE MATERIALS WITHIN THE SAKAI CLASS WEBSITE

*Note: All of the following materials are contained within Sakai.  
You are not required to purchase print copies of these materials.*

3. PowerPoint Slides for FIN 3403. Copies of the PowerPoint slides (note shells) are highly recommended given the speed and quantity of material that we will cover during the semester. PowerPoint slides are available on the course website within each Learning Module and are also available at Target Copy Center [Phone: (352) 376-3826].
4. Old Exams and Solutions. Most students find questions and solutions from the old exams useful when studying for their own exams. They are a great source of practice problems and will give you some ideas of the kinds of questions that we could ask. However, you should understand that there is no guarantee that your examinations will be similar to those offered in the past.

Old exams and solutions for the last several years are available on the course website. We have also taken many of these exams and have sorted the questions by topic module. All of these are available on the course website. The questions/solutions sorted by topic module are also available at Target Copy Center [Phone: (352) 376-3826].

5. Solutions to End-of-Chapter Problems. The problems in the text are an excellent resource to help you study and learn the material. They are good practice before taking a graded quiz or trying to work the problems from the old exams. Answers for selected end-of-chapter problems are contained in Appendix B, but detailed solutions are not presented. Detailed solutions may be found on the course website within each Learning Module.

## ASSURANCE OF LEARNING

Each program at the Warrington College of Business Administration has developed goals and objectives that express the most valued skills and knowledge that students should be able to demonstrate upon completion of the total learning experiences in that program. It is expected that students majoring in business will be able to demonstrate competency in terms of these objectives through performance on a standardized test (ETS Field Exam) as well as through embedded measures throughout the curriculum.

All core syllabi are required to include explicit reference to the relevant goals and objectives out of this set.

The specific goals and objectives for FIN 3403 include the following:

Goal: Demonstrate competency in and across business disciplines.

Objective: Demonstrate knowledge and understanding of elements of finance.

Objective: Demonstrate proficiency in the use of business-related software applications.

Goal: Possess effective communication skills.

Objective: Write business documents clearly, concisely, and analytically.

By the end of this course:

1. You will understand the role of finance within a firm, within society, and within an economic system.
2. You will learn financial principles and terminology and gain the basic financial/mathematical tools required by managers for making financial decisions.
3. You will learn how business professionals deal with some of the legal, ethical and social responsibilities of the firm in a financial context
4. You will appreciate the role of financial leadership in a business organization.
5. You will appreciate how an understanding of finance is important to your own professional development and career success, as well as how it can impact your own, personal decisions.

I hope that by the end of this course you will have a good grasp of basic financial principles and that you will have gone beyond just memorizing facts and formulae. This will enable you to better understand current events in finance and the business world and will provide a solid framework for any subsequent courses you may take in finance.

## CLASS PROCEDURES

The material for this class, along with the corresponding material on the Sakai class website, has been divided into ten learning modules. The inherent structure of an electronic platform class makes your individual study and preparation outside of class extremely important. The lecture material will focus on the major points introduced in the text. Reading the assigned chapters before class will greatly improve your understanding of the lecture. After the lecture, you should study your notes and do relevant problems from the end of chapter.

If you are an in-residence student, you are encouraged to attend the live section, no matter which section you are registered for. Moreover, despite the large size of the class, I encourage students in the live section to ask questions whenever they arise.

These questions often make the class more interesting and provide benefits to the students who are unable to attend the live section.

The class lectures are available through the college's video server and may be accessed through the course website under each learning module, or by going directly to:

<http://warrington.ufl.edu/sb/mywcba/videolectures.asp>

To make the class more accessible to students, especially those students in the Online BSBA program. The School of Business does a live stream of my class using streaming video.

To access the streaming video, go to the following url:

<mms://wm1.cba.ufl.edu/fin3403live>

Please note that it is only active (currently), when the director is actually recording the class.

#### E-MAIL AND COURSE ANNOUNCEMENTS

All e-mail contact will take place through the university e-mail system using your GatorLink e-mail account. Students are expected to have an up-to-date GatorLink account and to regularly check their e-mail accounts. Students may go to <http://www.gatorlink.ufl.edu/> to establish or update their account.

From time to time, we may send e-mails to the entire class through the class listserv. The class listserv automatically uses your GatorLink e-mail address. Note that students now have the ability to forward their GatorLink e-mail to another account (such as Gmail). Since there is limited space in your GatorLink folder, and mail is not delivered when you run out of space, you may wish to consider forwarding your GatorLink e-mail to your regular account.

We may also use the announcement system within Sakai to keep the class informed on an ongoing basis, so check the course site frequently to see if there are any current announcements!

*Get in the habit of visiting the course site and checking your e-mail daily!*

## E-MAIL ETIQUETTE

Many students have made bad impressions, and some have even lost job offers, because of their lack of good e-mail etiquette. Therefore, you should get in the habit of using professional e-mail etiquette.

If you need to contact me or a TA via e-mail, we ask that you use the following etiquette:

1. To contact me, please use the [fin3403.questions@warrington.ufl.edu](mailto:fin3403.questions@warrington.ufl.edu) account. I will not respond to class e-mails sent to any other e-mail account. This isn't to be a pain. Rather, I want all correspondence recorded in one place.
2. Start the e-mail with a salutation, such as "Dear Professor", or "Dear Dr. Banko", or something similar for a TA. E-mails without this may not be answered. And "Hey", or "Hey Banko", or just "Banko" is unprofessional and is not acceptable; please keep the correspondence professional.
3. Keep the body of your message short. For example, "I believe I bubbled my UFID correctly, but I received a 6-point penalty. Can you check this? My UFID is 0000-0000." The body should be no more than one paragraph. I do not need a lengthy explanation of the situation. Simply state what you need and a short version of the facts. If I need additional details, I will ask for them.
4. A closing, such as "Thanks, your favorite student, Charles." Be sure to include your full name somewhere, if you don't use it in the closing.

## HELP RESOURCES

The University of Florida, not the Warrington College of Business Administration, supports the Sakai system. If you need help using the Sakai Course Management System, you may:

1. Use the tutorials on the main e-Learning webpage.
2. Contact the UF Computing Help Desk at 352-392-HELP (392-4357), or go to their Webpage at <http://helpdesk.circa.ufl.edu/>

## DISCUSSION BOARD

Students will have access to a discussion board that can be accessed only by members of your individual group and whose purpose is to allow members of your group to discuss course assignments and course materials with other members, as well as with your Primary TA.

### General Guidelines for Posting to All Discussion Boards

1. Although you are encouraged to voice your own opinion on all subjects, you are expected to be tactful, courteous, and polite in terms of your postings. Students whose posts are not professional in nature will have their posting privileges revoked.
2. Students are expected to use proper language, spelling, grammar, etc. similar to what you would use within a professional environment.

*There are no anonymous postings.  
All discussion posts are associated with a specific class member.*

## EXAMINATIONS

The exam schedule is as follows:

Exam 1:	Wednesday, February 8 <sup>th</sup>	8:20 p.m. - 10:20 p.m.
Exam 2:	Monday, March 19 <sup>th</sup>	8:20 p.m. - 10:20 p.m.
Final Exam:	Saturday, April 28 <sup>th</sup>	12:30 p.m. - 2:30 p.m.

Exam locations will be announced in class and posted on the class webpage. Students must go to their specified exam location in order for their exam to be graded and they must present a picture ID.

These times are for on-campus testing only. Students taking the class through the Online BSBA Program, or students taking FIN 3403 who will be away from Gainesville for the term (out-of-residence), should already have been contacted by the Online Advisors concerning the location and time of their exams. If you have not yet been informed, please contact the advisors at (352) 273-0165.

You must take your exam at the designated off-campus location and cannot take the exam on campus, even if in Gainesville for the day of an exam. Your exams usually start slightly earlier than the on-campus exams!

Each of the exams will be cumulative. In general, the coverage will reflect the amount of time spent in class on the different chapters. Students are responsible for all of the information covered in the assigned text, any additional materials and articles that are posted on the course website, and for any examples and/or current events discussions that take place in class.

For the exams, you will only be allowed to bring in a #2 pencil (do not use a pen) and a calculator(s): please check your batteries before exams. You will be given, as part of each exam, a copy of Appendix C from the textbook, which includes the major formulae used in the text chapters, plus some additional formulae for Chapters 3, 8, and 14, as



well as a t-table, Z-table, MACRS table, and tax tables. No other materials (not even the User's Manual for your calculator) may be used during the exam.

*Students who use an illegal calculator, or who have a cell phone, PDA, or other electronic device that is readily accessible (not in a backpack, etc.) will be referred to the Office of Student Conduct and Conflict Resolution for disciplinary action.*

Each of the exams will be multiple choice. Each exam will consist of a mix of conceptual questions and numerical problems. Each of the midterm exams will be worth 20 percent of your final course grade, while the final exam will be worth 30 percent of your final course grade.

Since the exams are multiple choice, you will receive no partial credit. This often tends to result in considerably lower scores than what would normally be observed if partial credit had been given. Thus, if you get 50% correct, this does not mean that you know only 50% of the material -- you probably know much more.

*Note: failure to correctly fill out the front page of your exam and your scantron answer form creates major problems for our grading procedures and can lengthen the time it takes us to determine an appropriate distribution and notify students of their grades.*

*Therefore, students who do not correctly fill out the front page of their exam and/or correctly bubble in their name, UF ID# (left justified), Group Number (right justified), or form (exam) code on their scantron will have points subtracted from their score, as outlined on each exam.*

*Students should also bubble in their selected answers carefully: dark marks (#2 pencil) within the circles, no stray marks outside the circles, and clean erasures if you change your answer.*

*Students who do not go to their assigned rooms for the exams will receive a score of zero, will fail the course, and may be referred to the Office of Student Conduct and Conflict Resolution for disciplinary action.*

The grade distribution for each exam will be made available on the course website and will be announced in class once the raw exam scores have been received and we have been able to determine an appropriate distribution for the exam: the raw scores on each exam will be standardized so that the final distribution will have a mean of 77.50 and a standard deviation of 12.5. Grades will then be based on a straight 90/80/70/60-type scale (see actual scale above).

During the summer and fall terms, exams and scantrons from the online students are shipped via FedEx to Gainesville, and this may significantly lengthen the grading time. In a worst case scenario, for example, if the exam is on Monday evening, we may not get all of the scantrons until late Wednesday, may not be able to have them scanned until Thursday, may not get the results back until late Thursday or early Friday, and may not have grades finalized and uploaded to Sakai until late Friday or early Saturday. However, we do have a procedure that usually allows us to bypass FedEx and speed up the grading process, so that we can usually post grades within 24 hours.

Please note that subsequent grade changes (corrections, etc.) will be recorded in my personal grade book (the "official" grade book), but may not be reflected on Sakai.

### MAKE-UP EXAMS & GRADING OPTIONS

There are NO makeup exams. You are encouraged to take all of the midterm exams (it is not in your best academic / course grade interest to miss any of them), but midterm exams are optional. There are two, basic grading options for the two midterms and the final exam:

1. Take all exams, which will then have weights of 20% for each midterm and 30% for the final exam (which you must take). Weights will be 20%, 20%, and 30%.
2. Skip either, or both, of the midterms for any reason (we do not recommend this), and the weight of your final exam (which you must take) will be increased by 20% for each midterm missed. Midterm weights will be 20% for any midterms taken and possible final exam weights will be 30%, 50%, or 70%.

Since the distribution for all exams is standardized to a mean of 77.50 and a standard deviation of 12.50, it should not matter if one exam is, relatively, "harder" or "easier" than another. However, during previous terms, some students decided not to take one (or more) of the midterm exams because they thought it might be "harder" than another and that this would negatively impact their grade. Since I think that it is better, educationally, for students to prepare for and take all midterm exams (preparing for and taking all midterm exams will help you to perform better on the final exam), I have decided to add two additional grading options to reward those students who take all of the exams. Therefore, if you take both midterm exams:

3. I will automatically throw out your lowest midterm exam, and the weight of your final exam (which you must take) will be increased by 20%. Weights will then be 20%, and 50%.
4. I will automatically throw out both midterm exams, as if you had not taken them, and the weight of your final exam (which you must take) will be set at 70%.

Therefore, if you take all three exams, I will determine your grade using methods (1), (3), and (4) above, and award you the higher of the three grades. If you decide to skip a midterm exam, for whatever reason, I will use method (2) above to determine your grade; this is not negotiable.

I hope that this will take some of the pressure off of you in terms of deciding whether to take a midterm exam or not.

Please note that your decision to skip a midterm exam must be made before starting the exam. Once you are in the exam room, you are committed, and that midterm exam will count, regardless of the score you receive, even if that score is a zero. However, given options 1, 3, and 4 above, it is in your best interest to take all midterms, even if you are not prepared, and even if you score a zero.

If you miss the final exam, and have a valid excuse approved by me in writing, you will be assigned a grade of incomplete and you will be required to take the regular final exam at the end of the following term. If you miss the final exam and do not have a valid excuse, you will fail the course.

Please note that you must take at least 1 of the 2 midterm exams, completed substantially all of the other assignments, and be passing the course, to qualify for an incomplete. If you skip both midterms, you **MUST** take the final exam – there is no option for an incomplete; this is not negotiable.

In order to be excused from the final exam, you must contact me, before the start of the final exam, by e-mail:

[fin3403.questions@warrington.ufl.edu](mailto:fin3403.questions@warrington.ufl.edu)

If you cannot contact me by e-mail in a timely manner, leave a message with the finance department staff at 392-0153. I will require documentation to justify your absence from the final exam. A note indicating that you were seen at the health center the day of the exam is not sufficient documentation. The note must say that you were medically unable to take the exam. Excuses will be granted if you are unable to take the exam because of serious illness or injury. Excuses will not be granted for social activities, such as ski trips, weddings, cruises, birthday parties, or trips to sporting events.

## ONLINE QUIZZES

There will be ten online quizzes during the term, one for each of the ten learning modules in FIN 3403. The purpose of the quizzes is to encourage students to keep up with the material to be covered in the class and to reward those students who do so: students should be able to take the quiz after thoroughly studying the chapter, even if

the chapters have not yet been fully covered in class.

Each quiz will consist of a lead-in question (indicates whether you have attempted the quiz) and regular questions that are randomly selected from a question bank, and which are directly related to the material covered in the assigned chapters: exams, on the other hand, may include questions about material covered in class, or in articles assigned/posted, but not necessarily covered in the individual chapters.

When you open a quiz, the first, or lead-in question, simply asks you to verify that you are attempting the quiz and to then save the question. Saving this question will automatically give you 0.50 points. Each additional quiz question is worth 0.2 points, each quiz is therefore worth 1.5 points, and students can earn a maximum of 15 points from taking all 10 quizzes.

Students will access all quizzes through the assessments tool within Sakai. Quizzes will open and close at various dates throughout the term, and students may only participate within the “open” date range. The quizzes will be “locked down” on the closing date. The opening and closing dates for the quizzes appear within the Sakai calendar and within the tentative schedule at the end of this syllabus.

Quizzes are timed events, but not restrictively so; students will have 2 hours to complete a quiz and submit it online. Although the Sakai system is supposed to automatically submit any of your work at the end of the two hours, Sakai is a new system. Therefore, I encourage all students to hit the finish button and submit your quiz attempt before the end of the two hours. When quizzes are submitted, students will receive immediate scoring and feedback in Sakai. Students will also be able to see any/all of their quiz grades using the “Gradebook” or “Gradebook 2” tool in Sakai.

Students may make three attempts on each quiz, but we encourage you to take some time between attempts. Each time a student re-takes a quiz, Sakai will provide a new random selection of quiz questions. There is no penalty for taking the quiz three times and Sakai will record the highest of the three quiz grades earned as the official quiz grade.

If you are thrown out of the system for any reason, you should immediately log back in, since the quiz time continues to count down.

## TOPIC PAPERS

There will be two graded topic papers assigned during the term: I will provide a general topic, with some articles to read that students will respond to and which will, hopefully, help students understand how financial concepts are related to events in the real world, as well as expose them to current questions or concerns relevant to the course, their lives, and their future careers.

Students may earn up to 10 points towards their final course grade (10 percent) by submitting the graded topic papers. There are two topic assignment periods during the

term, and each graded topic paper allows the student to earn up to 5 points. The Primary TA for each group will determine scores.

Each of the graded topic assignments will open and close on a specific date, and students may only participate within the “open” date range. The topic assignments will be “locked down” on the closing date. The opening and closing dates appear within the Sakai calendar and within the tentative schedule at the end of this syllabus.

### General Guidelines for the Topic Papers

You should write your response to the topic paper assignment in a Word-type document on your personal computer. Then, when it is completed, formatted, checked for spelling and grammar, convert it to an Adobe Acrobat (PDF) document, and then submit it to the topic paper assignment for your group.

By necessity, grading of assignments, such as these, is subjective in nature. A student’s performance will be measured by the quality of the paper submitted. Please note that I, and the TA’s, prefer quality over quantity, but the posts must still be substantive in nature.

Students should consider the following before submitting their paper:

1. Papers should be substantive, comprehensive, and relate to the main topic (and sub-topics) that are being discussed. As part of their topic papers, students should:
  - A. Read (not skim) and summarize every article assigned.
  - B. Create a cogent statement related to the topics/readings that express your point of view, what you believe, and why. You are encouraged to bring in your own experiences (either personal or work-related).
  - C. Referencing material from the articles assigned, or external resources is fine and encouraged. However, to avoid a charge of plagiarism, all such material should be clearly noted (quotation marks, brackets, etc.) and the source clearly cited (you may use any citation format that you wish to use): all posts are run through the University’s “TurnItIn” anti-plagiarism software.
  - D. This course does not qualify for Gordon Rule credit (yes, we tried), and grammar, per se, at least as defined by Gordon Rule, is not checked. However, college-level / professional writing is expected and required: use paragraphs to separate your main points, have a smooth flow from one point to the next, completely explain/defend one point before moving on to the next.
2. The grading rubric, using a 5-point scale, for each of the graded topic papers, is as follows:

Category for Grading	Possible Points
Complete, correct summaries	0.0 - 1.0
Clear analysis and well-supported views	0.0 - 1.0
Logical organization and development of ideas	0.0 - 1.0
Concise, clear, readable style	0.0 - 1.0
Correct grammar, punctuation, and spelling	0.0 - 1.0

## COURSE PROJECT

The course project is worth 5 percent of your final course grade.

As a student at the University of Florida, you have free access to many of the online business services that usually require a subscription. The purposes of the course project are to (1) make you familiar with online business services and financial databases that allow individuals to research and better understand the financial aspects of a company, and (2) help you learn about the difficulties of extending financial theory and data to real world applications. There are two parts to the course project. The first part of the course project will familiarize you with these online services and databases. The second part will require you to actually use financial data to analyze such things as a firm's cost of capital, its economic value added, the fairness of its stock price, and whether the stock is currently a reasonable investment.

By February 1<sup>st</sup> (but likely sooner), you may go to the FIN 3403 class website, click on the "Feedback" button on the left of the page, then click on the "Company" feedback page to determine the name and the "Ticker Symbol" of the company that your group has been assigned.

You may then go to the Class Handout webpage, under "Course Project" and call up the following files:

- 1) "Equity Costs - Some Conventions Using the CAPM"
- 2) "Geometric Versus Arithmetic Means"

After reading these files, click on the "Assignment" button on the left-hand toolbar and then click on "Graded Course Project. As part of the graded assignment you will call up the Word document:

"Course Project – Spring 2012 Term"

You will then be asked a number of questions. After answering these questions within your copy of the Word document, you will save it as an Adobe Acrobat file (PDF), and then attach your completed Acrobat document (pdf) and submit the assignment.

Although the course project is similar from one term to the next, we do occasionally change the requirements and, more importantly, we do change the firms. So, if you are repeating FIN 3403, you cannot use your course project from a previous term. You must redo the entire project. Any attempt to submit a course project from a previous term will result in a grade of zero on the project, failing the course, and the incident will be reported to the Office of Student Conduct and Conflict Resolution.

Grading for the course project is similar to that for the topic papers, and will use a 5-point scale and the following grading rubric:

Category for Grading	Possible Points
Complete, correct data submitted	0.0 - 2.0
Clear analysis and well-supported views	0.0 - 1.0
Concise, clear, readable style	0.0 - 1.0
Correct grammar, punctuation, and spelling	0.0 - 1.0

More information about the course project will be made available during the term.

## GROUPS AND ASSIGNMENTS

After the drop-add period is complete, you will be assigned to a Group with a Primary TA to answer questions, act as your mentor, and participate in your group's discussion board; we are trying to give the class a small-class feel, even though it is an Electronic Platform course. Once you are assigned to a Group, links will appear in the Assignments area, by Group, for submitting your Topic Papers and Course Project assignments. Only a link for your Group submissions will be visible to you; the links may disappear once the deadline is reached. Each student, therefore, will submit the Topics Papers and the Course Project, individually, as PDF files in the group Assignments area.

## CREATING PDF DOCUMENTS

If you are using a Mac computer, you automatically have the ability to save your document in PDF format through the Mac's print function. If you are using a Windows-based computer, and do not have Adobe Acrobat, you may install and use CuteWriter to create PDF documents. There is a file under Class Handouts <Using CuteWriter to Create PDF Documents> that will show you how to install and use this program. You may also download a free Adobe Acrobat Reader by going to:

<http://www.adobe.com/downloads/>

and selecting Get Adobe 'Reader' on the right of the screen.

Also, the latest version of Microsoft® Word also allows you to save your document in the PDF format.

Be careful to save your document in the native format of the software you are using before saving it as a PDF. For example, if you are using Word, save the document as a .doc or .docx file first. Then, re-save it as a PDF. If you only save your work as a PDF, you will lose the ability to edit your work.

## DEADLINES

All assignment deadlines are noted in the calendar on Sakai and at the end of this syllabus. There is sufficient lead time to accomplish each assignment and students should not wait until the last minute to submit their assignments. Please note that personal problems (family emergencies, car breaking down, etc.) and technical problems (server crashing, computer freezing, etc.) can arise unexpectedly and that you should plan accordingly. Students who wait until right before quiz, topic paper, or course project deadlines, and are then unable to submit their assignments because of personal or technical difficulties, will have no recourse to appeal their scores. Likewise, students who do not realize, until after the deadlines, that assignments they thought they finished were never actually submitted, will have no recourse to appeal their scores.

*Submit all assignments sooner rather than later (we suggest at least one to two days early) and then go back and verify that the assignments were actually submitted.*

Each assignment (quizzes, topic papers, and course project) will have an official deadline on Friday at noon of the week it is due. Then, there will be a two-day grace period, which will close Sunday at noon. You may submit assignments late during the grace period without penalty *if you can*. However, the assignment is late. Problems encountered during the grace period, including problems with Sakai, will not be considered as a justification to extend the deadline. Please plan on finishing the assignments well before the official deadline of noon Friday.

## COURSE GRADES

Students will be able to access their course grades and their grades for each of the assignments and exams through the Sakai Grade Book and/or Feedback functions. Course grades will be calculated using the following weights:

Midterms (2 at 20%)*	40%
Final Exam*	30%
Modular Quizzes (10 at 1.5%)	15%



Topic Papers (2 at 5%)  
Course Project

10%  
5%  
100%

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*\*Please see the section below on Make-up Exams and Grading Options*

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Final course grades will be based on the following numeric scale indicating the minimum number of points needed to achieve each letter grade:

Minimum Points	Course Grade
90.0	A
87.0	A-
84.0	B+
80.0	B
77.0	B-
74.0	C+
70.0	C
67.0	C-
64.0	D+
60.0	D
57.0	D-

Please note that I do not round final course scores. Therefore, a 79.9999 will not be rounded upward and will not be assigned a grade of B.

## APPEALS

Students are allowed to appeal scores received for all assignments to me. However, the original appeal of a score must be made within one week (7 days) of the date that scores are posted to the class webpage; because of the need to submit grades, appeals for the final exam must usually be made within 1 day. An appeal initiated after that time will not be considered.

### Exams and Quizzes:

1. If you believe that the scoring of the exam scantron is incorrect, or if you have questions about points being taken off (no form code, no UF ID bubbled in or not bubbled in correctly, not going to the assigned room for the exam, etc.), then contact Dr. Banko by sending an e-mail to:

[fin3403.questions@warrington.ufl.edu](mailto:fin3403.questions@warrington.ufl.edu)

Include the following information: (a) name, (b) UFID, (c) exam form code, (d) exam location, and (e) what, specifically, you are challenging. The e-mail subject needs to be "Scantron Scoring Appeal."

2. If you believe that an actual test question has an error, then contact me by sending an e-mail to:

[fin3403.questions@warrington.ufl.edu](mailto:fin3403.questions@warrington.ufl.edu)

Include the following information: (a) name, (b) UFID, (c) exam form code, (d) exam question, and (e) why you believe that the question/answer is in error. The e-mail subject needs to be "Exam Question Appeal."

3. If you wish to appeal a quiz score, then contact me by sending an e-mail to:

[fin3403.questions@warrington.ufl.edu](mailto:fin3403.questions@warrington.ufl.edu)

Include the following information: (a) name, (b) UFID, (c) quiz number, (d) question number, and (e) what, specifically, you are challenging. The e-mail subject needs to be "Quiz Question Appeal."

Please follow this format. It will ensure that your question/concern is handled correctly and in a timely manner.

#### Topic Papers and Course Projects:

If you wish to appeal a score you have received from your Primary TA, first contact your Primary TA (names and e-mail addresses for the Primary TAs will be made available at the start of the term on the class webpage). If you do not agree with the results of that appeal, you may re-appeal to a committee comprised of Dr. Banko and the Senior TA's, by sending an e-mail to:

[fin3403.questions@warrington.ufl.edu](mailto:fin3403.questions@warrington.ufl.edu)

Note: If you wish to re-appeal your Primary TA's decision to the appeals committee, you should include, within your e-mail, copies of all prior correspondence back and forth between you and your Primary TA. The re-appeal must take place within 3 days of receiving notification of the results of your original appeal from your Primary TA.

*Please note that the committee reserves the right to lower a score, or even assign a score of zero, if they believe that your Primary TA was overly generous in the score that she/he originally assigned.*

## STUDENTS WITH DISABILITIES

Students requesting classroom accommodations for their disability, including changes to the testing environment, must first register with the Dean of Students Office. The Dean of Students Office will provide documentation/forms to the student, who must then, technically, provide the documentation/forms to Dr. Banko, or me, in person, when requesting accommodations. However, we think that requiring you to meet with us in person is a silly rule for a class this size, so if you are registered with the Dean of Students Office, you may find a generic form on the class webpage, under Class Handouts, that has already been filled out. Simply print out this form, fill out your personal information, and submit it to the Dean of Students Office. Please note that the Dean of Students Office requires a 7-10 day lead time to process your request after they receive the form back from you.

## COPING WITH STRESS

The following is excerpted from a memo sent out to the faculty by the Dean of Students:

*... During stressful periods of time, there is an increased tendency for students to isolate and alienate themselves from others, and many students will need help and encouragement in seeking assistance ...*

*The University and the Gainesville community provide a variety of counseling and support services to assist students ... A complete list of counseling & support services can be found on the Dean of Students Web site at:*

<http://www.dso.ufl.edu/supportservices/campuscounseling.php>

## ACADEMIC HONESTY

The University of Florida Policy on Course Syllabi requires a section on academic honesty to be included in all syllabi:

The Academic Honesty Guidelines at the University of Florida are designed to develop and engender a community of honor, trust and respect. The academic community of students and faculty at the University of Florida strives to develop, sustain and protect an environment of honesty, trust and respect. Students within the system receive the benefits of the academic pursuit of knowledge, free from the obstacles of lying, cheating and stealing. In return, the Academic Honesty Guidelines demand that students act with integrity in all of their endeavors. Exhibiting honesty in academic pursuits and reporting violations of the Academic Honesty Guidelines will encourage others to also act with integrity. Every student who approaches their studies with honesty and forthrightness suffers when another student attains an unfair advantage by cheating.

An academic honesty offense is defined as the act of lying, cheating, or stealing academic information so that one gains academic advantage. As a University of Florida student, one is expected to neither commit nor assist another in committing an

academic honesty violation. Additionally, it is the student's duty to report observed academic honesty violations. The following actions are examples of violations of the Academic Honesty Guidelines:

Cheating: The improper taking or tendering of any information or material which shall be used to determine academic credit. Taking of information includes, but is not limited to, copying graded homework assignments from another student; working together with another individual(s) on a take-home test or homework when not specifically permitted by the teacher; looking or attempting to look at another student's paper during an examination; looking or attempting to look at text or notes during an examination when not permitted. Tendering of information includes, but is not limited to, giving your work to another student to be used or copied; giving someone answers to exam questions either when the exam is being given or after taking an exam; giving or selling a term paper or other written materials to another student; sharing information on a graded assignment.

*Collaborating, or getting outside help, to complete an online quiz will not only be considered cheating, but defeats the whole purpose of trying to help you keep up with the material so that you will be prepared for your exams.*

Plagiarism: The attempt to represent the work of another as the product of one's own thought, whether the other's work is published or unpublished, or simply the work of a fellow student. Plagiarism includes, but is not limited to, quoting oral or written materials without citation on an exam, term paper, homework, or other written materials or oral presentations for an academic requirement; submitting a paper which was purchased from a term paper service as your own work; submitting anyone else's paper as your own work.

*During a prior term we had reports from students of possible plagiarism on the graded topic papers, both from other students and outside resources. This was verified and the guilty students were penalized accordingly. All topic papers are now run through the "TurnItIn", anti-plagiarism software that compares students' papers to each other and then checks against external sources.*

Bribery: The offering, giving, receiving, or soliciting any materials, items or services of value to gain academic advantage for yourself or another.

Misrepresentation: Any act or omission with intent to deceive a teacher for academic advantage. Misrepresentation includes using computer programs generated by another and handing it in as your own work unless expressly allowed by the teacher; lying to a teacher to increase your grade; lying or misrepresenting facts when confronted with an allegation of academic honesty.

*Please note that Sakai maintains transaction logs, including the dates you log in and what you do while you are logged in. At the end of a prior term a number of students made allegations that a mistake must have been made because they “knew” that they had submitted certain assignments, but had never received credit for them, or that they had not been able to access the system on a certain day. A search of the transaction logs, which the students had not known about, indicated that they were not being entirely “truthful” in their allegations.*

*Although it can be done, researching the transaction logs and other data available to us does take a significant amount of time and effort. In the future, allegations that turn out not to be supported by the data will be considered an act of misrepresentation (see above) and the case will be turned over to the Student Conduct and Conflict Resolution.*

**Conspiracy:** The planning or acting with one or more persons to commit any form of academic dishonesty.

**Fabrication:** The use of invented or fabricated information, or the falsification of research or other findings with the intent to deceive for academic or professional advantage.

## TENTATIVE SCHEDULE

The following schedule is extremely tentative and subject to change. Any variations will be announced in class.

Week One					
Date	Day	Module	Quiz Open	Quiz Close	Assignment / Activity
1/9/2012	Monday		Q1		University: Start of Classes
1/10/2012	Tuesday	1			Introduction to the Class Chapter 1: An Overview of Financial Management Chapter 2: Financial Markets and Institutions (26-46)
1/11/2012	Wednesday				
1/12/2012	Thursday	1			Chapter 5: Time Value of Money Web App 5A: Continuous Compounding and Discounting Web Appendix 5B: Growing Annuities
1/13/2012	Friday				

Week Two					
1/16/2012	Monday				University: Martin Luther King Jr. Day - No Classes
1/17/2012	Tuesday	1			Chapter 5: Time Value of Money Web App 5A: Continuous Compounding and Discounting Web Appendix 5B: Growing Annuities
1/18/2012	Wednesday				
1/19/2012	Thursday	1			Chapter 5: Time Value of Money Web App 5A: Continuous Compounding and Discounting Web Appendix 5B: Growing Annuities
1/20/2012	Friday				

Week Three					
1/23/2012	Monday		Q2		Topic Paper 1 Opens
1/24/2012	Tuesday	1			Chapter 5: Time Value of Money Web App 5A: Continuous Compounding and Discounting Web Appendix 5B: Growing Annuities
1/25/2012	Wednesday				
1/26/2012	Thursday	2			Chapter 6: Interest Rates
1/27/2012	Friday			Q1	

Week Four					
1/30/2012	Monday				
1/31/2012	Tuesday	2			Chapter 6: Interest Rates
2/1/2012	Wednesday				
2/2/2012	Thursday				Live TA Review in Class
2/3/2012	Friday			Q2	

Week Five					
2/6/2012	Monday		Q3		
2/7/2012	Tuesday	3			Chapter 7: Bonds and Their Valuation Web Appendix 7A: Zero Coupon Bonds Web Appendix 7B: Bankruptcy and Reorganization
2/8/2012	Wednesday				Exam 1: 8:20 PM - 10:20 PM (Chapters 1, 2, 5, and 6)
2/9/2012	Thursday	3			Chapter 7: Bonds and Their Valuation Web Appendix 7A: Zero Coupon Bonds Web Appendix 7B: Bankruptcy and Reorganization
2/10/2012	Friday				

Week Six					
2/13/2012	Monday		Q4		
2/14/2012	Tuesday	4			Chapter 8: Risk and Rates of Return Web Appendix 8A: Calculating Beta Coefficients
2/15/2012	Wednesday				
2/16/2012	Thursday	4			Chapter 8: Risk and Rates of Return Web Appendix 8A: Calculating Beta Coefficients
2/17/2012	Friday			Q3	Topic Paper 1 Closes

Week Seven					
2/20/2012	Monday		Q5		Topic Paper 2 Opens
2/21/2012	Tuesday	4			Chapter 8: Risk and Rates of Return Web Appendix 8A: Calculating Beta Coefficients
2/22/2012	Wednesday				
2/23/2012	Thursday	5			Chapter 9: Stocks and Their Valuation Appendix 9A: Stock Market Equilibrium Chapter 2: Financial Markets and Institutions (46 -50)
2/24/2012	Friday			Q4	

Week Eight					
2/27/2012	Monday		Q6 & Q7		Course Project Opens
2/28/2012	Tuesday	6			Chapter 10: The Cost of Capital Web App 10A: The Cost of New Common Stock and the WACC
2/29/2012	Wednesday				
3/1/2012	Thursday	7			Chapter 3: Financial Statements, Cash Flow, and Taxes
3/2/2012	Friday			Q5	

Week Nine					
3/5/2012	Monday				University: Spring Break - No Classes
3/6/2012	Tuesday				University: Spring Break - No Classes
3/7/2012	Wednesday				University: Spring Break - No Classes
3/8/2012	Thursday				University: Spring Break - No Classes
3/9/2012	Friday				University: Spring Break - No Classes

Week Ten					
3/12/2012	Monday				
3/13/2012	Tuesday	7			Chapter 3: Financial Statements, Cash Flow, and Taxes
3/14/2012	Wednesday				
3/15/2012	Thursday				Live TA Review in Class
3/16/2012	Friday			Q6	

Week Eleven					
3/19/2012	Monday				Exam 2: 8:20 PM - 10:20 PM (Chapters 1-3, 5-10)
3/20/2012	Tuesday	7	Q8		Chapter 4: Analysis of Financial Statements
3/21/2012	Wednesday				
3/22/2012	Thursday	8			Chapter 17: Financial Planning and Forecasting Web Appendix 17A: Forecasting Financial Requirements When Financial Ratios Change
3/23/2012	Friday			Q7	Topic Paper 2 Closes



Week Twelve					
3/26/2012	Monday		Q9		
3/27/2012	Tuesday	8			Chapter 17: Financial Planning and Forecasting Web Appendix 17A: Forecasting Financial Requirements When Financial Ratios Change
3/28/2012	Wednesday				
3/29/2012	Thursday	9			Chapter 11: The Basics of Capital Budgeting
3/30/2012	Friday			Q8	

Week Thirteen					
4/2/2012	Monday				
4/3/2012	Tuesday	9			Chapter 11: The Basics of Capital Budgeting
4/4/2012	Wednesday				
4/5/2012	Thursday	9			Chapter 12: Cash Flow Estimation and Risk Analysis Appendix 12A: Tax Depreciation Web Appendix 12B: Replacement Project Analysis Web Appendix 12D: Using the CAPM to Estimate the Risk-Adjusted Cost of Capital Chapter 13: Real Options and Other Topics in Capital Budgeting
4/6/2012	Friday				Course Project Closes

Week Fourteen					
4/9/2012	Monday		Q10		
4/10/2012	Tuesday	9			Chapter 12: Cash Flow Estimation and Risk Analysis Appendix 12A: Tax Depreciation Web Appendix 12B: Replacement Project Analysis Web Appendix 12D: Using the CAPM to Estimate the Risk-Adjusted Cost of Capital Chapter 13: Real Options and Other Topics in Capital Budgeting
4/11/2012	Wednesday				
4/12/2012	Thursday	10			Chapter 14: Capital Structure and Leverage Web Appendix 14A: Degree of Leverage
4/13/2012	Friday			Q9	

Week Fifteen					
4/16/2012	Monday				
4/17/2012	Tuesday	10			Chapter 14: Capital Structure and Leverage Web Appendix 14A: Degree of Leverage
4/18/2012	Wednesday				
4/19/2012	Thursday				Catch-up, if needed
4/20/2012	Friday			Q10	

Week Sixteen					
4/23/2012	Monday				
4/24/2012	Tuesday				Live TA Review in Class
4/25/2012	Wednesday				University: Last Day of Classes
4/26/2012	Thursday				University: Reading Days - No Exams or Classes
4/27/2012	Friday				University: Reading Days - No Exams or Classes

Week Seventeen - Final Exams					
4/28/2012	Saturday				Final Exam / Exam 3: 12:30 PM - 2:30 PM (Chapters 1 - 14, 17)
4/29/2012	Sunday				
5/1/2012	Monday				
5/2/2012	Tuesday				
5/3/2012	Wednesday				
5/4/2012	Thursday				
5/5/2012	Friday				

**PLEASE NOTE:**

The final exam is on Saturday, 4/28, at 12:30 P.M.