



COURSE SYLLABUS

Course Number/Section/Name: FIN 6320 / 72 / Seminar in Finance

Semester/Year: Fall/2019

Professor: Wei Zhang

Class Days/Times/Location or Other Format: Online

Office Location: Classroom Center 327G

Office Hours: 9:30am-12:30pm, 3:30-5pm, Tuesday/Wednesday, and by appointment

Office Phone: (806) 651-4125

Email: wzhang@wtamu.edu (preferred)

Social Media: Keep up with the latest happenings of [your COB](#) on [Facebook](#) and [Twitter](#), connect with us on [LinkedIn](#), and check out COB videos on [YouTube](#).

Other:

- [My job is to help you learn](#). If you have any questions or suggestions, please kindly let me know.
- I check my emails (preferred) and WTClass mails daily during weekdays. I try to reply in a timely manner during weekends, but it is not guaranteed.
- I may post course announcements at WTClass. Please check them regularly.
- Course prerequisites: FIN 6300 or equivalent and ACCT 6305.

Terms of Use

A student's continued enrollment in this course signifies acknowledgment of and agreement with the statements, disclaimers, policies, and procedures outlined within this syllabus and elsewhere in the WTClass environment. *This Syllabus is a dynamic document. Elements of the course structure (e.g., dates and topics covered, but not policies) may be changed at the discretion of the professor.*

WTAMU Paul and Virginia Engler College of Business Mission Statement

The mission of the Paul and Virginia Engler College of Business is to provide high quality undergraduate and graduate business education with a global perspective and ethical awareness. We accomplish this through emphasis on excellence in teaching, which is strengthened by faculty scholarship and supported by professional service.

Learning Objectives of the WTAMU Paul and Virginia Engler College of Business Programs

The Paul and Virginia Engler College of Business (COB) at West Texas A&M University (WTAMU) seeks to prepare students in the Bachelor of Business Administration (BBA), Master of Business Administration (MBA), Master of Professional Accounting (MPA), and the Master of Science, Finance and Economics (MSFE) degree programs

for careers in business and to foster their professional growth and advancement via key learning goals and objectives.

The learning objectives of the Paul and Virginia Engler College of Business are as follows:

- Leadership
- Communication
- Critical Thinking
- Business Integration



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- Core Business Knowledge
- Global Business Environment
- Business Ethics and Corporate Governance

Course Description

This course focuses on how to use the theory of corporate finance and the value creation principle to assess a firm's operating decisions. Most topics are about investment decisions. A main theme of the course is about capital budgeting (two cases will be explored in the class; both are about capital budgeting). To this end, we first talk about time value of money and investment rules to help you refresh the basics. Then we study cash flow projections based on firms' financial statement and evaluate the cost of capital. Based on these two, we use discounted cash flow analysis to help us make investment decisions.

Course Objectives

The objective of the course is to provide you with a foundation in financial principles, therefore the learning outcomes are not a set of facts, although there are always stylized facts that must be learned, but a way of thinking about measuring the financial impact of business decisions. Valuing business decisions under uncertainty is at the heart of the applied practice of corporate finance.

Once you complete the course you should be able to:

- Understand the application of the "Law of One Price" to measuring value added.
- Understand and explain the centrality of cash flows to financial decisions.
- Use EXCEL to build models to evaluate capital investments and firms.
- Comprehend the basic model for establishing the firm's cost of capital.
- Apply valuation principles to an equipment replacement decision and a potential acquisition.

Map from COB Learning Objectives to Specific Course Objectives

Goal: communication

Students will practice spreadsheet modeling related to capital budgeting. Students will have the opportunity to discuss cases and issues related to corporate finance.

Goal: critical thinking

- Analyze a financial statement
- Analyze a capital budgeting problem
- Estimate a firm's cost of capital
- Use different evaluation tools to evaluate firms and financial transactions and help make investment Decisions

Goal: ethical decision making and corporate governance

- Take ethical issues into consideration when making investment decisions.

Goal: demonstrate knowledge of the global and domestic environment and their relevance to the business contexts



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Course Materials (Text, calculator, etc.)

- **Textbook:**

You are required to have a graduate level corporate finance textbook, but I don't have restrictions on which one you use. I recommend the text by Berk & DeMarzo. The book by Ross, Westerfield, and Jaffe should also work. Note that you need to find corresponding chapters in different books.

Textbook (recommended): Berk & DeMarzo, Corporate Finance (Pearson Series in Finance)

The 4th edition is expensive. I use the 3rd edition (right one, ISBN-13: 9780132992473). Buy a used one is a good choice (some source: Amazon, ebay). The 2nd edition (left) also works. You can also rent a book.

Textbook ([if you want to buy a used text](#)): buy the 2nd edition or 3rd edition. A used 2nd edition is less than \$20.



Other books that also work include:

Corporate Finance: The Core (4th, 3rd, 2nd edition) (Berk, DeMarzo & Harford, The Corporate Finance Series)
Fundamentals of Corporate Finance (4th, 3rd, 2nd Edition) (Berk, DeMarzo & Harford, The Corporate Finance Series)

[Again, older editions cost less.](#)

- A **financial calculator** is not required. I use excel to do all the calculations, cash flow projections, discounting and etc. If you need a calculator, I recommend **Texas Instruments' BA II Plus**.



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- Access to EXCEL.
 - You need to access the related Excel files I post on WTClass.
- Access to WTClass.
 - If you experience technical problems regarding WTClass, please contact the IT Service Center (ITSC) by calling **806-651-4357(HELP)** or by emailing **ITSC@mail.wtamu.edu**. Please visit ITSC website for their hours: <http://www.wtamu.edu/informationtechnology/information-technology-service-center.aspx>

Course Grading Policies

- You will be assigned a letter grade as follows based on the number of total points you have accumulated throughout the semester.

Number of points	Grade
>=900	A
>=800	B
>=700	C
>=600	D
<600	F

- I **do not curve**, and your course grade will be **solely** determined by how many points you accumulate throughout the semester, as shown above.

Course Assignment, Examination, and or Project Policies

	Points	Percentage
Quiz (12 total)	240	24%
Participation and Case Discussions	60	6%
Case (2 total, worth 100 each)	200	20%
Exam 1	200	20%
Exam 2	300	30%
Total	1000	100%

There are **1000 points** available.

○ **Two exams: 500 points** (Exam 1 – 200 points, Exam 2 – 300 points)

- You can attempt each exam only once.
- The exam is open for a limited time. You are responsible for taking the exam after class within the time period the exam is “open”.
- **There is no make-up for missed exams without valid excuses.** If you cannot take the exam within the time period that the exam is “open”, you need to notify me **prior to** the exam close date and provide valid excuse.



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- You are responsible for taking the exam at a computer that has a stable connection. There is no make-up for incomplete exams due to technical reasons. You may take the exam in the University's computer lab if you are unsure about your work or home connection.

o **Two cases: 200 points:** 100 points each

- Both cases are on the topic capital budgeting, which is the main focus of this course.
- You need to use EXCEL to do the case.
- I will post instructions on how to do the case on WTClass.

o **12 quizzes: 240 points total**

- You are required to take a quiz after the completion of each lecture to gauge your study progress, so 1 quiz per week.
- You can attempt each quiz **twice** with the higher score counting towards your grade.
- The quiz is open for a limited time. You are responsible for taking the quiz within the time period the quiz is "open". **There is no make-up for missed quizzes without valid excuses.** If you cannot take the quiz within the time period that the exam is "open", you need to notify me **prior to** the quiz close date and provide valid excuse.
- The quizzes are open-book and open note, but not open-buddy.
- You are responsible for taking the quiz at a computer that has a stable connection. There is no make-up for incomplete quizzes due to technical reasons. You may take the quiz in the University's computer lab if you are unsure about your work or home connection

o **Participation and Case Discussions: 60 points total**

- When the two cases become available on WTClass, you need to discuss with your classmates via the online message board. You are **required to make one original post and two responses to your classmates.** (That is a **total of three posts for each case:** your own comments, and two responses.)
- The comments and responses should demonstrate your critical thinking about the case. Based on your comments and response, I make a subjective assessment of your work. Responses to your peers do not need to be long but should demonstrate thoughtfulness. Usually, this should take a few sentences. Responses such as "I agree" or "I disagree" are not satisfactory. Additionally, while this is not an English or Communications course, your posts should demonstrate the graduate-level writing skills and professionalism becoming of a business leader.

We will have two live class sessions for the two cases. My tentative plan is to go over related examples or give you suggestions on the cases. Your attendance at the live sessions will be one consideration in assessing your Participation. As this is an online course and many of you are busy professionals with families and full-time jobs, and we will be spread across different time zones around the globe, there is **not a specific attendance policy.** It is OK if you cannot attend the live sessions; but **I expect that students who cannot attend the live sessions will participate more on the discussion board (i.e., make more than the minimum 3 posts for each case).**

Course Topics - Tentative Calendar of Readings, Topics, and Due Dates



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See the last page of the syllabus

Additional Course Policies

- Collaboration with other students while taking the exams is cheating.
- I actively pursue punishment for incidences of cheating. If there is any evidence that a student has performed academic misconduct, the student will fail the course and be turned into the Dean's Office for further action.
- The instructor may check the IP address, time the exams are taken, your spreadsheet file info, and your WTCClass activity log to detect cheating.

WTAMU Paul and Virginia Engler COB Student Code of Ethics

Each student enrolled in COB courses accepts personal responsibility to uphold and defend academic integrity and to promote an atmosphere in which all individuals may flourish. The COB Student Code of Ethics strives to set a standard of honest behavior that reflects well on students, the COB and West Texas A&M University. All students enrolled in business courses are expected to follow the explicit behaviors detailed in the Student Code of Ethics.

Code of Ethics

- Do not use notes, texts, solution manuals, or other aids for a quiz or exam without instructor authorization.
- Do not copy the work of others and/or allow others to view your answers or copy your work during a quiz, exam, or on homework assignments.
- Do not allow other parties to assist in the completion of your quiz, exam, homework, paper, or project when not permitted.
- Do not work with other students on projects or assignments without authorization from the course instructor.
- Properly cite and specifically credit the source of text, graphic, and web materials in papers, projects, or other assignments.
- Do not forge the signature of an instructor, advisor, dean, or another student.
- Provide truthful information for class absences when asking faculty for excused absences or for a make-up for a quiz, exam, or homework.
- Provide truthful information on your resume including work history, academic performance, leadership activities, and membership in student organizations.
- Respect the property, personal rights, and learning environment of all members of the academic community.
- Live up to the highest ethical standards in all academic and professional endeavors.

Students violating the Student Code of Ethics will be reported to the Dean's office and are subject to penalties described in the West Texas A&M University Code of Student Life, which may include suspension from the University. In addition, a violator of the Student Code of Ethics may become ineligible for participation in student organizations sponsored by the COB and for recognition for College academic honors, awards, and



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scholarships.

COB Student Resources Link

The COB has developed a *Student Resources* repository (e.g., APA writing style information, business core reviews, facilities, and other helpful supplements), which can be found on the [COB Website](#). Additionally, WTAMU has developed an Academic Study Skills information site to assist students (e.g., study habits, supplemental instruction, tutoring, writing and math skills), which can be found on the [WTAMU Website](#). For WTAMU Writing Center information (for students needing writing assistance, guidance, and feedback), please visit their [website](#).

COB Communications Component

The Paul and Virginia Engler College of Business Communication Component requires students to demonstrate knowledge of communication skills. The COB communications component is a requirement in the following courses: **ACCT 4373** (*Accounting Communications*), **BUSI 1304** (*Business Communication*), **BUSI 3320** (*Digital Collaboration and Communication*), **BUSI 4333** (*Cross-Cultural Issues in Business Communications*), **BUSI 4350** (*Current Issues in Management Communications*), **BUSI 4375** (*Healthcare Communication*), **BUSI 4380** (*Conflict Resolution and Negotiation*), **BUSI 4382** (*Emerging Media Law*), **CIDM 3320** (*Digital Collaboration and Communication*), **ECON 4370** (*Economics of Health Care*), **FIN 3350** (*Personal Financial Planning*), **FIN 4320** (*Investments*), **FIN 4321** (*Portfolio Theory*), **MGT 3335** (*Organizational Behavior*), **MGT 4380** (*Conflict Resolution and Negotiation*), or **MKT 3342** (*Consumer Behavior*).

Student Travel Opportunities

In multiple business courses, there may be opportunities for student travel supplemented by student fees. If you have an interest in such opportunities as they become available, please notify a faculty member.

Dropping/Repeating the Course

Should a student decide to drop the course, it is the student's responsibility to be aware of the final drop dates and adhere to the WTAMU Add/Drop policy. Any student participating in the course after the WTAMU posted drop date will be considered active and a grade will be administered at the end of the course for that student. Students are charged a fee for any course attempted for a third or subsequent time at WTAMU other than a non-degree credit developmental course or exempted courses.

Scholastic Dishonesty

It is the responsibility of students and instructors to help maintain scholastic integrity at the University by refusing to participate in or tolerate scholastic dishonesty. Commission of any of the following acts shall constitute scholastic dishonesty. This listing is not exclusive of any other acts that may reasonably be said to constitute scholastic dishonesty: acquiring or providing information for any assigned work or examination from any unauthorized source; informing any person or persons of the contents of any examination prior to the time the examination is given in subsequent sections of the course or as a makeup; plagiarism; submission of a paper or project that is substantially the same for two courses unless expressly authorized by the instructor to do so; submission of a paper or project prepared by another student as your own. You are responsible for being familiar with the University's Academic Integrity Code, as well as the COB Student Code of Ethics listed in this document.



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Academic Integrity

All work must be completed individually unless otherwise stated. Commission of any of the following acts shall constitute scholastic dishonesty: acquiring or providing information for any assigned work or examination from any unauthorized source; informing any person or persons of the contents of any examination prior to the time the exam is given in any subsequent sections of the course or as a makeup; plagiarism; submission of a paper or project that is substantially the same for two courses unless expressly authorized by the instructor to do so. For more information, see the [Code of Student Life](#).

Viewpoints/External Websites Disclaimer

The views expressed in this document, web-based course materials, and/or classroom presentations and discussions are those of the professor and do not necessarily represent the views of West Texas A&M University, its faculty and staff, or its students. Views expressed by students are likewise those of the person making such statements. It is understood and expected that each individual within this course will respect and allow individual difference of opinion.

Neither the professor, the COB, nor WTAMU are responsible for the content of external websites discussed in the classroom and/or linked to via online course materials, emails, message boards, or other means. Referred websites are for illustrative purposes only, and are neither warranted nor endorsed by the professor, COB, or WTAMU. Web pages change frequently, as does domain name ownership. While every effort is made to ensure proper referencing, it is possible that students may on occasion find materials to be objectionable for reasons beyond our control.

Acceptable Student Behavior

Classroom behavior should not interfere with the instructor's ability to conduct the class or the ability of other students to learn from the instructional program (Code of Student Life). Unacceptable or disruptive behavior will not be tolerated. Students engaging in unacceptable behavior may be instructed to leave the classroom. Inappropriate behavior may result in disciplinary action or referral to the University's Behavioral Intervention Team. This prohibition applies to all instructional forums, including electronic, classroom, labs, discussion groups, field trips, etc.

Technology Requirements

All technological requirements for the successful completion of this course are the responsibility of the student, including access to a working computer and or to a device with secure broadband Internet connection, data storage and retrieval, and state-of-the-art security. The student is responsible for all technological problems not related to WTAMU, including but not limited to equipment failures, power outages, and Internet breakdowns. Furthermore, students are responsible for all necessary technical and operational skills for completing this course, and for being familiar with WTClass (the Blackboard Learning System) both in a general sense and in a specific sense as pertaining to this course and any materials stored within. The professor is not responsible for any technical matters related to WTClass. Students must contact WTClass if they have problems accessing and/or using the WTClass environment.



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Physical or Educational Access - ADA Statement

West Texas A&M University seeks to provide reasonable accommodations for all qualified persons with disabilities. This University will adhere to all applicable federal, state, and local laws, regulations, and guidelines with respect to providing reasonable accommodations as required to afford equal educational opportunity. It is the student's responsibility to register with Student Disability Services (SDS) and to contact faculty members in a timely fashion to arrange for suitable accommodations. Contact Information: [Student Success Center](#), CC 106; phone 806-651-2335.

Title IX Statement

West Texas A&M University is committed to providing a learning, working, and living environment that promotes personal integrity, civility, and mutual respect in an environment free of sexual misconduct and discrimination. Title IX makes it clear that violence and harassment based on sex and gender are Civil Rights offenses subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, etc. Harassment is not acceptable. If you or someone you know has been harassed or assaulted, you can find the appropriate resources

here:

- WTAMU Title IX Coordinator Richard Webb – Kilgore Research Center 147, **or** call 806.651.3199
- WTAMU Counseling Services – Classroom Center 116, **or** call 806.651.2340
- WTAMU Police Department – 806.651.2300, **or** dial 911
- 24-hour Crisis Hotline – 800.273.8255, **or** 806.359.6699, **or** 800.692.4039
- Visit the [Notalone](#) website

For more information, see the [Code of Student Life](#).

WT Attendance Policy for Core Curriculum Classes

For the purposes of learning assessment and strategic planning, all students enrolled in Core Curriculum or developmental courses at West Texas A&M University must swipe their Buff Gold cards through the card reader installed in the classroom/lab for each class/lab meeting.

Evacuation Statement

If you receive notice to evacuate the building, please evacuate promptly but in an orderly manner. Evacuation routes are posted in various locations indicating all exits, outside assemble area, location of fire extinguishers, fire alarm pull stations and emergency telephone numbers (651.5000 or 911). In the event an evacuation is necessary; evacuate immediately do not use elevators; take all personal belongings with you; report to outside assembly area and wait for further information; students needing assistance in the evacuation process should bring this to the attention of the instructor at the beginning of the semester.

Copyright

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** Syllabus template approved by COB Curriculum Committee May 2019. Annual review of the syllabus is a formal part of the COB continuous improvement process.*



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FIN6320 Tentative Course Outline (subject to change)

Week	Dates	Topics	Readings
1-3	8/26-9/15	Syllabus, Financial Market, Valuation principle, Time value of money, Investment Rules	BD3 (Berk, DeMarzo 3rd edition) Chapters 1.2, 3, 4, 7.1
4	9/16- 9/22	Bond Valuation and Bond Markets	BD3 Chapter 6
5	9/23- 9/29	Exam 1 Accounting Review	BD3 Chapter 2
6-7	9/30- 10/13	Capital Budgeting Case 1	BD3 Chapter 8
8	10/14-10/20	Stock Valuation	BD3 Chapter 9
9-10	10/21-11/3	Risk and Return	BD3 Chapters 10, 11
11-12	11/4-11/17	Cost of Capital Advanced Capital Budgeting Case 2	BD3 Chapters 12, 18.1, 18.2
13	11/18-11/25	Review Session Exam 2 (all topics covered after Exam 1)	