

**The University of Akron, College of Business**  
Course Number: **FIN-301-002 (3 credits)**  
Course Name: **Principles of Finance**



<b>Time &amp; Location:</b> Mondays and Wednesdays – 12:15 to 1:30 pm, CoB-126			
<b>Instructor:</b>	Dr. Barry Mulholland	<b>Year/Term:</b>	Fall 2022
<b>Office:</b>	CoB-222	<b>Phone:</b>	330-972-2524
<b>Email:</b>	bmulholland@uakron.edu	<b>Office Hours:</b>	M/W 10:30-11:30 am & 2:00-3:00 pm or by appointment (see Brightspace)

## Course Information

### Description

The primary objective of this course is to provide you practical, working knowledge of the fundamental tools used in the major decision areas of corporate financial management. Topics to be covered include:

1. An Overview of Corporate Finance
2. Financial Statements, Taxes, and Cash Flows
3. Ratio Analysis and DuPont Identity
4. Time Value of Money
5. Bond Valuation
6. Stock Valuation
7. Capital Investment Analysis
8. Risk and Return
9. Cost of Capital

### Prerequisites

3250:200 or 244; 3450:145; 6200:201; and completed one of the following: 6200:250 or admitted to the College of Engineering with 48 credit hours completed.

### Course Overview

This course will provide an introduction to important financial concepts. As such, much of the time will be spent on mathematical computations. This class will be delivered through lectures that focus on the intuition pertaining to the concepts studied and the application of these concepts to actual situations. Examples will be shown in class that will assist students in developing a core understanding of not only what we are doing, but why we are doing it. Students will also complete homework assignments and quizzes online that will further assist them in both learning the material and preparing for exams. It is very important for you to log into Brightspace each day to find the latest updates for class. If you are new to Brightspace, you can [get started by watching the tutorials here](#).

We will be using Microsoft *Excel* for the financial calculations. You may use a financial calculator if you choose; however, I will not provide training on how to use such calculators. If you use a calculator, you will need to have one that offers financial functions (PV, FV, NPV, IRR). If you prefer to use a financial calculator, the Texas Instruments BAII Plus is the dominant financial calculator in the market.

## Course Objectives

At the end of this course, successful students will be able to:

1. Explain how a progressive income tax system works.
2. Calculate present value and future value of single amounts, annuities, annuities due, uneven and serial payments.
3. Calculate the net present value and internal rate of return and be able to apply the techniques to financial planning problems.
4. Value a bond using discounted cash flow and explain how interest rates affect bond values.
5. Estimate the value of a stock using discounted cash flow, the Capital Asset Pricing Model (CAPM), and price multiples.
6. Estimate the expected risk and return using the CAPM for securities and portfolios.
7. Identify, measure, and differentiate between types of investment risks including systematic and unsystematic risk, interest-rate risk, liquidity risk, credit risk, inflation risk, operating and financial risk, reinvestment-rate risk, exchange-rate risk, and political risk in a client's portfolio.
8. Identify, measure, and interpret investment returns including after-tax, holding period return, effective annual rate, annual percentage rate, time- and dollar-weighted returns, geometric and arithmetic returns.

## Required Texts and Materials

Ross, Westerfield, and Jordan, *“Fundamentals of Corporate Finance”* 13<sup>th</sup> ed. (McGraw-Hill Publishing). ISBN: 978-1-264-25007-3 (loose-leaf edition). This is included on-line and provides electronic access to the textbook and to Connect, the system used to complete the homework and quizzes. Should you desire, once you sign up for the electronic access, you will be able to purchase a loose-leaf print copy for a specified charge.

## Evaluation and Assessment

### Grading Scale

% Score	Final Grade	% Score	Final Grade
92 - 100	A	78-79	C+
90 – 91	A-	72-77	C
88-89	B+	70-71	C-
82-87	B	60-69	D
80-81	B-	< 60	F

### Breakdown of Final Grade

Item	% Weight of Total Grade
Connect Homework	5%
Connect Quizzes	15%
Exam 1	25%
Exam 2	25%
Final Exam	30%
<b>TOTAL</b>	<b>100%</b>

## Assessments

### Homework and Quizzes

All homework assignments and quizzes will be administered and graded online using McGraw-Hill's *CONNECT* management system.

All homework and quiz assignments are open at the beginning of the section and you may start these as you feel appropriate. Most will find it beneficial to work these immediately following the lecture associated with the material. Because the assignments are available for an extended period of time, I accept no excuses for missed assignments. It is your responsibility to plan accordingly to get the assignments done by the due date. Note that all dates and times shown for these assignments are Eastern Time.

Please see the end of the syllabus or see *How to register Connect-Brightspace IA* PowerPoint file and *Inclusive Access Registration-Connect + D2L* video on Brightspace for more information. For administrative ease, please register your account with *CONNECT* as soon as possible.

In addition, optional LearnSmart assignments will be available for most chapters. These lessons will reinforce the material that you read in the chapter and that is presented in lecture. Although a grade may show in *CONNECT*, these are NOT GRADED and are provided for your review only.

### Exams

Since the material is naturally comprehensive the exams will also be naturally comprehensive to what has previously been covered in the course. Except in extreme situations, ***there will be no make-up exams given.***

An unexcused absence will be treated as a failing grade (0%). Excused absences should be considered an option only under extraordinary circumstances. All requests for an excused absence must be accompanied by appropriate documentation. In the event of an excused absence for any exam, a makeup exam may be permitted. The format of a makeup exam may differ greatly.

### Extra Credit

If extra credit is available during the semester, which is not guaranteed, no student will be awarded more than 5 pts. of extra credit for any one section. This is regardless of the extra credit earned by the student during any section. No extra credit will be carried forward to the next section.

## Instructor Contact and Reply Policy

The best method to contact me is through e-mail. You can typically expect me to respond to email within one business day. Please allow extra time for weekends, holidays, and questions of a non-urgent nature. You can expect me to grade assignments and provide feedback within a few days of the end date for the assignment. For large assignments such as papers or projects, please allow one week for grading. Often, I do not release grades until the due date has ended. So if you submit early, you may need to wait until after the due date to review your grade.

## Special Class Rules

Please follow these three rules during class:

1. **No Cell Phones:** Please remember to turn your cell phone off when entering the classroom, and there is to be no texting during class. You get nothing from the class if you are texting through the class.
2. **No Talking:** If you have a question, please raise your hand and I will call on you to ask your question. Needless talking among students is very distracting to both me and other students sitting around you. Feel free to ask me questions at any time during class.
3. **Be Courteous:** Arriving late for class, getting up and moving around during class, or leaving early is very distracting to me and other students around you. To minimize such disruptions, please be on time for class and stay for the entire class. In other words, please be courteous to me and your fellow students.

## Attendance Policy

I will not be taking formal attendance during class. Attendance is expected and highly recommended. The topics we will be covering in this course are often difficult for students to understand, and each topic builds upon previously covered topics. Missing a class could potentially leave you lost throughout the remainder of the semester as we move into more advanced topics that assume you understand all previously covered topics. There is generally a positive correlation between attendance and final grades in this course. Save yourself both time and effort in the long-run by simply coming to class and taking good notes during my lectures.

## Participation

Responsible attendance means that you will plan your schedule so that you can meet course participation requirements and manage your time so that you can complete your assignments on or before the date they are due. The *tentative course calendar* will be posted in Brightspace and included at the end of the syllabus. If the calendar needs to be changed for any reason during the course, written notice will be provided.

You are expected to participate in this course as follows:

- You must review all course content posted to the Content tab in Brightspace unless that content is clearly labeled as optional.
- You must login to this course throughout the week to check for new content and new discussion posts. **Turn on Push Notifications in the course to be sure you are receiving all announcements.**
- You must read all Announcement items posted on the course home page.
- You must read all posts to the course discussion in Brightspace. You are responsible for all information posted to the course discussions.
- You are responsible for completing and submitting all assignments to the course drop box before the due date. You are responsible for clearly labeling your papers so I can identify your submission. For example, use your first and last name in the filename along with the assignment number. You are also responsible for submitting files in a format that I am able to open such as **.doc, .docx, .pdf, .ppt, pptx, or .txt.** Note that the University provides a Google Apps account to all students, and you can use Google Apps to create files in these file types.

- You are responsible for maintaining copies of your work and verifying that your Dropbox submission has been received. You will receive an email confirmation when you submit assignments. You will be also able to track your submissions in Brightspace.
- You are responsible for completing all quizzes and homework before the due date.
- Technical challenges are not an acceptable excuse for missing deadlines. You must ensure that you have access to a working computer at all times. Please do not wait until the deadline to submit assignments. If you do experience any technical issues, please contact [IT Service Desk](#) and ensure that the issue is tracked through their ticketing system.

If you have any questions or concerns about any of the assignments or your performance, please contact me immediately. Do not wait until the assignment is due or your performance cannot be rectified.

### Technical Support

If you have technical questions or require technical assistance, please contact IT Service Desk:

- By Phone: 330-972-6888
- By Email: [support@uakron.edu](mailto:support@uakron.edu).

[Brightspace self-help guides can be found here.](#)

### Academic Support: The Writing Lab, eTutoring, and Knack Tutoring

The University of Akron provides both on ground and online help with writing. Refer to the Technical, Academic, and Student Support tab under Course Orientation in the Content section of this course.

The College of Business offers tutoring for core courses through the Knack system. See the Announcement in Brightspace for information on how to sign up for and schedule personal tutoring sessions.

### Accessibility Statement

Any student who has a disability that substantially limits learning in a higher education setting may contact [the Office of Accessibility](#) for information regarding eligibility for reasonable accommodations. The office telephone number is (330) 972-7928 (Voice) or (330) 972-5764 (TDD).

### Withdrawal Policy

- A student may drop a course through the 14th calendar day of a semester or proportionately equivalent dates during summer sessions, intersession and other course terms. A "drop" will not appear on your transcript. The class simply "disappears."
- After the 14th calendar day period, students may withdraw from a course through MyAkron until the 49th calendar day of a semester or proportionally equivalent dates during summer session, intersession, and other course terms. If you withdraw, a "WD" will appear on your transcript. You should know that *a withdrawal may affect your financial aid, eligibility for on-campus employment and eligibility for insurance*. Speak with your advisor for details.
- A student who leaves a course without completing the coursework and without going through the withdrawal procedure *will be given an "F"* in the course.

- You must consult your academic advisor
  - before withdrawing from more than two courses before you have earned 32 credits; and
  - before withdrawing from more than two courses after you have earned 32 credits but before you have earned 64 credits. (This does not count withdrawals that occurred before you earned 32 credits.)
- You may not withdraw from more than four courses before you have earned 64 credits.
- You may not withdraw from the same course more than twice.
- Exceptions may be made for extraordinary non-academic reasons (e.g., medical treatment or convalescence, military service).
- Your advisor can answer specific questions.

Students who withdraw on a regular basis often do not finish their programs and earn degrees. Students who withdraw frequently tend to deplete their financial aid too early. Further, a pattern of withdrawals sends the wrong message to potential employers or to graduate schools. It says, “When the going gets rough, I quit.”

Questions regarding your registration can be addressed by the [Office of the Registrar](#), 330-972-5400. [The official University Withdrawal Policy is located here.](#)

### Incompletes

Incompletes indicate that the student has completed passing work but that some part of the work is, for good and acceptable reason, not complete at the end of the term. ***Incompletes are only given under extremely rare conditions.*** Failure to make up the omitted work satisfactorily by the end of the following term, not including summer sessions, converts the "I" to an "F." When the work is satisfactorily completed within the allotted time the "I" is converted to the grade that the student has earned.

## Student Conduct and Community Standards

Students at The University of Akron are an essential part of the academic community, and enjoy substantial freedom within the framework of the educational objectives of the institution. The freedom necessary for learning in a community so rich in diversity, and achieving success toward educational objectives, requires high standards of academic integrity. Academic dishonesty has no place in an institution of advanced learning. The University community is governed by the policies and regulations contained with the Code of Student Conduct available in the [Department of Student Conduct and Community Standards](#), Simmons Hall 302, (330) 972-6380. The University of Akron [Code of Student Conduct can be downloaded here.](#)

### Plagiarism and Academic Integrity

It is each student's responsibility to know what constitutes academic dishonesty and to seek clarification directly from the instructor if necessary. The University of Akron, University Libraries web site is an excellent source to help you, the student, understand plagiarism and how to avoid it. [Click here to learn more about how to avoid plagiarism.](#)

## Health and Safety

The COVID-19 pandemic is still present and serious. Before entering class, you should have completed your daily health assessment. You should not come to class if you fail your health check or feel ill. At that time, I also ask you notify me that you will be absent. When campus policies require masks to be worn indoors, all students are required to wear a mask during in-person classes. While you are in class on campus, you are required to: always cough or sneeze into your elbow or a tissue and adhere to other public safety protocols and directives for your specific classroom/lab/studio. Students who do not follow these health and safety requirements will be instructed to leave class immediately. Students who violate this protocol will need to leave the classroom and MAY be marked absent. Repeated violations of these health-saving protocols may lead to sanctions under the Student Code of Conduct up to and including suspension or expulsion. Current guidelines can be found at: [uakron.edu/return-to-campus/](https://uakron.edu/return-to-campus/).

Thank you for your cooperation!

## Course Calendar / Topic Breakdown

WEEK	DAY	DATE	CHAP.	TOPIC	Quiz & HW Due @11:59p
1	Mo	Aug. 22	1	Course Introduction/Syllabus/CONNECT, Chapter 1 Self-study	
	We	Aug. 24	2	Financial Statements, Taxes, and Cash Flows	
2	Mo	Aug. 29	2	Financial Statements, Taxes, and Cash Flows	
	We	Aug. 31	3	Working with Financial Statements	9/4 - Ch 2
3	Mo	Sep. 5		<b>LABOR DAY (no classes)</b>	
	We	Sep. 7	3	Working with Financial Statements	9/11 - Ch 3
4	Mo	Sep. 12	5	Introduction to Valuation: The Time Value of Money	
	We	Sep. 14	5	Introduction to Valuation: The Time Value of Money	
5	Mo	Sep. 19	5	Introduction to Valuation: The Time Value of Money	
	We	Sep. 21	6	Discounted Cash Flow Valuation	9/25 - Ch 5
6	Mo	Sep. 26	6	Discounted Cash Flow Valuation	
	We	Sep. 28	6	Discounted Cash Flow Valuation	10/2 - Ch 6
7	Mo	Oct. 3	7	Interest Rates and Bond Valuation - <b>Exam Prep Discussion</b>	
	We	Oct. 5		<b>EXAM 1: Chapters 2, 3, 5, &amp; 6</b>	
8	Mo	Oct. 10	7	Interest Rates and Bond Valuation	
	We	Oct. 12	7	Interest Rates and Bond Valuation	10/16 - Ch 7
9	Mo	Oct. 17	8	Stock Valuation	
	We	Oct. 19	8	Stock Valuation	
10	Mo	Oct. 24	8	Stock Valuation	
	We	Oct. 26	9	Net Present Value and Other Investment Criteria	10/30 - Ch 8
11	Mo	Oct. 31	9	Net Present Value and Other Investment Criteria	
	We	Nov. 2	9	Net Present Value and Other Investment Criteria	11/6 - Ch 9
12	Mo	Nov. 7	10	Making Capital Investment Decisions - <b>Exam Prep Discussion</b>	
	We	Nov. 9		<b>EXAM 2: Chapters 7, 8, &amp; 9</b>	
13	Mo	Nov. 14	10	Making Capital Investment Decisions	
	We	Nov. 16	13	Return, Risk, and the Security Market Line	11/20 - Ch 10
14	Mo	Nov. 21	13	Return, Risk, and the Security Market Line	
	We	Nov. 23	13	Return, Risk, and the Security Market Line	11/27 - Ch 13
15	Mo	Nov. 28	14	Cost of Capital	
	We	Nov. 30	14	Cost of Capital - <b>Exam Prep Discussion</b>	12/4 - Ch 14
<b>FRIDAY, DEC. 9, 12:15 to 2:15 pm</b>				<b>FINAL EXAM: Chapters 10, 13, &amp; 14 + Comprehensive</b>	

*Note: The above schedule is intended to serve as a general outline and it is subject to change. Topics are tentative and may need to be modified during the semester.*



## How to Register for Connect

1. Log into Brightspace and select your course. Locate the first LearnSmart assignment labeled “LS” and click on it which will prompt the registration process. You should not be prompted to make a purchase or enter an access code. If you are prompted for either of these, please let your instructor know or email the McGraw Hill rep [kelly.davidson@mheducation.com](mailto:kelly.davidson@mheducation.com) for assistance.
2. Click the “**Register Now**” Button.
3. Enter your email address.
  - a. If you already have a McGraw-Hill account you will be prompted for your password.
  - b. If you do not have a McGraw-Hill account you will be asked to create one.
4. Complete the registration form, and click “**Submit**”
5. Make sure that you are always accessing your **Connect** assignments through Brightspace so that your grades sync.

## FAQs & Tutorials



Visit the Connect Student Success Academy for online FAQs and tutorials:

<http://www.connectstudentsuccess.com/>

## Technical Support

If you need Technical Support please contact the McGraw-Hill Education **Customer Experience Group (CXG)** at: (800) 331-5094 [www.mhhe.com/support](http://www.mhhe.com/support).

*(Please be sure to get your case number for future reference if you call the CXG line.)*

## Useful Video

[SmartBook Overview](#) (4:09)- This video provides a brief overview of the resources available in SmartBook and the adaptive learning and reading experience.