



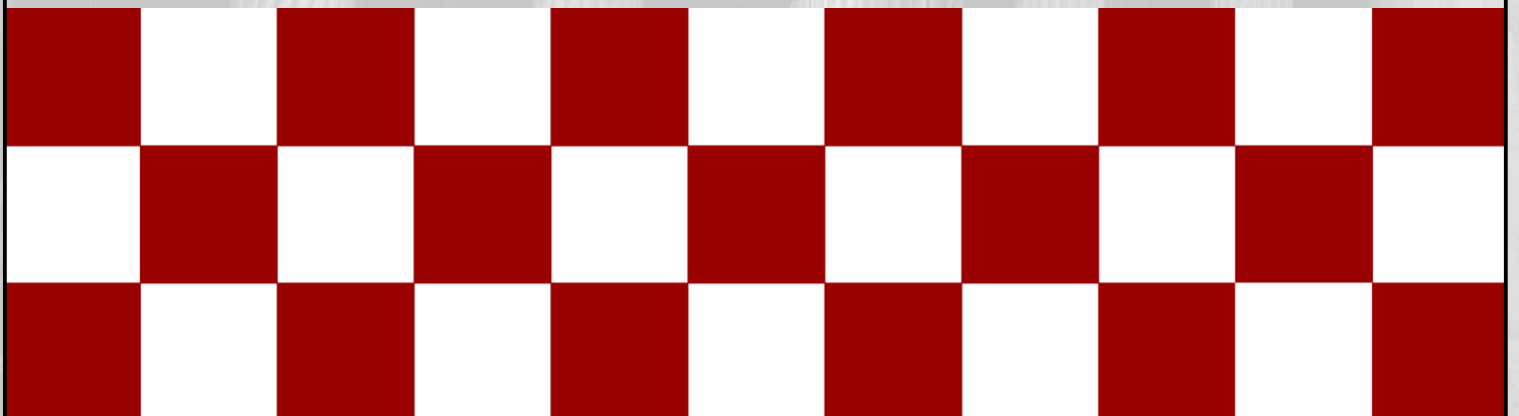
ROBINS
School of Business™

FIN 360

PRINCIPLES OF FINANCIAL MANAGEMENT

COURSE SYLLABUS

Professor: Joseph Farizo





FIN 360

PRINCIPLES OF FINANCIAL MANAGEMENT

COURSE SYLLABUS
ROBINS SCHOOL OF BUSINESS

Welcome to Finance 360! Finance is the study of the management of funds, raising and allocation of capital, investing, and financial institutions. In this course, we will touch upon each of these topics. We begin by learning about *corporate finance*, or the study of firm decision making, as well as the people who make the decisions at firms. We then review various ways in which we can evaluate the health and quality of a firm through an examination of its financial statements and *cash flow*.

We'll also learn about the most important concept in finance: the *time value of money*. Cash in hand is worth more than cash to be received in the future – because the future is uncertain! There are no guarantees an investment's cash flows will truly occur as promised. Therefore, we apply time value of money concepts to *valuation*, or determining what an investment is worth given the timing, magnitude, and risks associated with those cash flows.

Throughout the semester, we will observe how theory plays out in practice. We will follow relevant business news and apply techniques we learn about to analyze a company using its financial statements.

My goal is to help you succeed, not just in the classroom but in your career. If ever you feel you are falling behind (or need more of challenge), please contact me. I am *always* happy to help. I look forward to this semester and hope you find this class useful, relevant, and rewarding.

- JOE

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FIN 360: PRINCIPLES OF FINANCIAL MANAGEMENT

COURSE SYLLABUS
ROBINS SCHOOL OF BUSINESS

PROFESSOR

Joseph (Joe) Farizo

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CLASS TIMES & LOCATIONS

Sec 02: MW 1:30 PM (BUS 113)

Sec 03: MW 3:00 PM (BUS 113)

OFFICE HOURS (RSB 329)

Weekly and by appointment at
josephfarizo.com

TOPICS

1. Introduction to Corporate Finance
2. Financial Statements and Cash Flow
3. Forecasting and Planning
4. Time Value of Money
5. Capital Investments
6. Valuation and Markets

ASSIGNMENTS & POINTS

Exam 1	200	(20%)
Exam 2	200	(20%)
Final Exam-Cumulative	350	(35%)
Problem Sets	150	(15%)
Project	100	(10%)
Total	1000	(100%)

GRADING SCALE

A	920+	C	730
A-	900	C-	700
B+	870	D+	670
B	830	D	630
B-	800	D-	600
C+	770	F	Below

COURSE DESCRIPTION

Finance 360 surveys basic theories, concepts, techniques, and problem solving procedures of finance.

OBJECTIVES AND GOALS

- Understand basic financial management decisions and the roles and goals of the financial manager.
- Understand the difference between accounting income and cash flows.
- Compute and interpret common ratios to perform financial analysis.
- Determine firm growth rates.
- Understand time value of money concepts and apply these techniques to project, stock, and bond valuation.
- Learn about fixed income and equity securities and their markets.
- Determine a security's expected return by the capital asset pricing model

PREREQUISITES

ACCT 201, ECON 101-102, ECON 170 or BUAD 202, RSB Major, Pre-major, or Minor.

WSJ NEWSLETTERS

Visit <https://www.wsj.com/newsletters> to subscribe to the following newsletters:

1. The 10-Point.
2. Markets

We will discuss business news in class.

MATERIALS

1. **Class Resources:** Required. Course presentations, Excel files, and more will be posted to <https://www.josephfarizo.com/fin360.html>. We do not use Blackboard. You should check this website regularly (*at least* each day we have class).
2. **Textbook:** *Fundamentals of Corporate Finance, 12th edition. Ross, Westerfield, and Jordan.* Recommended, not required. Purchase at tinyurl.com/rwj12ed (\$55 - \$164)
3. **Financial Calculator:** Required. TI BA II Plus tinyurl.com/fincalc360 (~\$33)
4. **Microsoft Office 365 (Word, Excel):** Required. tinyurl.com/MSFT365UR (free)
5. **Adobe Scan app** (or other similar scanning app for phones) to turn in homework: Required. <https://www.adobe.com/acrobat/mobile/scanner-app.html> (free)

GRADED ASSESSMENTS

EXAMS (750 POINTS)

	Date	Probable Material	Points
Exam 1	Monday, Feb. 13	Introduction to Corporate Finance (Ch. 1) Financial Statements, Taxes, and Cash Flow (Ch. 2) Working with Financial Statements (Ch. 3) Long Term Financial Planning and Growth (Ch. 4)	200
Exam 2	Monday, Mar. 27	Time Value of Money (Ch. 5) Discounted Cash Flow Valuation (Ch. 6) Capital Investments (Ch. 10) NPV, IRR, and Other Investment Criteria (Ch. 9)	200
Final Exam	1:30 Section Fri., Apr. 28 @ 9am 3:00 Section: Thus., Apr. 27 @ 9am	<i>Cumulative Material (175 of 350 points):</i> Exam 1 Material (Ch. 1 – 4) Exam 2 Material (Ch. 5, 6, 9, 10) <i>New Material (175 of 350 points):</i> Bond Valuation (Ch. 7) Stock Valuation (Ch. 8) Lessons from Capital Market History (Ch. 12) Return, Risk, and the Security Market Line (Ch. 13) Cost of Capital (Ch. 14)	350

Topics subject to change.

The Final Exam is cumulative. Midterm exams are in-person during normal class time. Exams are closed-book and closed-notes covering all course material and assigned readings, and may consist of:

- computations
- multiple-choice
- “select all that apply” questions
- fill-in-the-blank
- true/false
- short answer
- essay
- illustrations and graphics

PROBLEM SETS (150 POINTS)

You need to be in attendance in-class to receive your personalized problem sets when they are distributed. Late assignments are not accepted.

	Due Date	Material	Points
PS 1	Varies by Assignment	Computational problems from relevant sections and coursework. You must show your work to get credit.	25 points each for a total of 150 points
PS 2			
PS 3			
PS 4			
PS 5			
PS 6			

PROJECT (10 POINTS)

We will apply the techniques we learn about in class to evaluate a company using its financial statements. You can earn an additional **7 bonus points** for turning in your assignment on or before 3pm on Saturday, April 22. The final deadline is Friday, April 28 at 3pm.

GRADING SCALE

To calculate your final grade, add up your points across all assignments and compare the sum to the following table.

A	920+	B-	800	D+	670
A-	900	C+	770	D	630
B+	870	C	730	D-	600
B	830	C-	700	F	Below

Grades may be curved up (this is *very rare*) but are never curved down. The grade thresholds in the above table are absolute: you cannot petition for an 899 to be rounded up to an A-, nor a 799 to a B-, and so on. No additional extra credit or bonus assignments will be granted after the conclusion of the semester, nor any other grade adjustments made.

OTHER ADJUSTMENTS

Up to 10 points may be deducted from your final point score for (1) a consistent inability to attend or participate in class, and/or (2) failing to have respect, professionalism, and courtesy throughout the semester as defined below.

EXPECTATIONS

RESPECT, PROFESSIONALISM, AND COURTESY

- Arrive on time.
- Do not distract others.
- Remain in class once the lecture begins and *until class concludes* – no exit and reentry.
- Do not miss office hour appointments you've scheduled (you can cancel with at least 12 hours' notice with no penalty)

WORKLOAD

Per the Registrar's Office:

“ *An undergraduate unit is based on “time-on-task” as a standard and recognizes 10-14 hours per week as the minimum time that a typical good student should need to spend on a course, if that course is sufficiently challenging and if that student is to achieve a high level of learning.* ”

You should expect to work 10 to 14 hours per week outside of class time, *at a minimum*, to do well. An hour or two every day of uninterrupted and focused work is optimal.

ATTENDANCE

Missing classes can negatively impact your grade. While you are expected to attend and participate in all classes, do not come to class if you feel ill. Get notes from a classmate and schedule office hour appointments as necessary following an absence.

ACADEMIC HONESTY

Cheating on an assignment will result in a 0% score on that assignment. The student will be reported, which may result in probation, suspension, or expulsion from the University.

DEADLINES & MAKEUPS

Late assignments and missed exams receive a score of 0%. The **only** exceptions include (1) *serious* illness to you or an immediate family member (married spouse, parent, sibling, grandparent), (2) isolation or quarantine as required by the University, and (3) University-sponsored academic or athletic functions.

Advance notice and documentation must be provided when possible. The makeup day for exams is on the last day of Spring classes: **Friday, April 21.**

FEEDBACK

An online “Suggestion Box” is available at <https://forms.gle/2aA7jftXTNt8Nizn7>. I occasionally send online surveys pertaining to your thoughts on the course. Please take advantage of these opportunities to let me know how you feel. Unless otherwise (and clearly) specified, these surveys are anonymous.

Note: These surveys may display the email address you store in the browser. Your email address is not included in the survey submission or shared with me.

IMPORTANT DATES

Date	Agenda Item
Friday, 1/13	Project – Financial Statement Upload @ 3pm
Monday, 1/16	No Class – Martin Luther King Day
Monday, 2/13	Exam 1
Monday, 3/6	No Class – Spring Break
Wednesday, 3/8	No Class – Spring Break
Monday, 3/27	Exam 2
Saturday, 4/22	Project Early Deadline (+7 points) @ 3pm
Friday, 4/28	Final Project Deadline @ 3pm
Thus., Apr. 27	3:00 Section Final Exam @ 9am
Fri., Apr. 28	1:30 Section Final Exam @ 9am

Deadlines for problem sets will be announced in class. The instructor reserves the right to modify dates and topics.

UNIVERSITY RESOURCES

ACADEMIC SKILLS CENTER

Helps students assess their academic strengths and weaknesses; hone their academic skills through teaching effective test preparation, critical reading and thinking, information processing, concentration, and related techniques; work on specific subject areas (e.g., calculus, chemistry, accounting, etc.); and encourage campus and community involvement. (asc.richmond.edu or call 289-8626 or 289-8956.)

CAREER SERVICES

Can assist you in exploring your interests and abilities, choosing a major, connecting with internships and learning experiences, investigating graduate and professional school options, and landing your first job. We encourage you to schedule an appointment with a career advisor during your first year. (careerservices.richmond.edu/ or call 289-8547.)

COUNSELING AND PSYCHOLOGICAL SERVICES

Assists students in meeting academic, personal, or emotional challenges. Services include assessment, short-term counseling and psychotherapy, crisis intervention, psychiatric consultation, and related services. (caps.richmond.edu or call 289-8119.)

SPEECH CENTER

Assists with preparation and practice in the pursuit of excellence in public expression. Recording, playback, coaching and critique sessions offered by teams of student consultants trained to assist in developing ideas, arranging key points for more effective

organization, improving style and delivery, and handling multimedia aids for individual and group presentations. (speech.richmond.edu or call 289-6409.)

WRITING CENTER

Assists writers at all levels of experience, across all majors. Students can schedule appointments with trained writing consultants who offer friendly critiques of written work. (Visit writing.richmond.edu or call 289-8263.)

BOATWRIGHT LIBRARY RESEARCH

LIBRARIANS

Assist students with identifying and locating the best resources for class assignments, research papers and other course projects. Librarians also assist students with questions about citing sources correctly. Students can schedule a personal research appointment, meet with librarians in the first floor Research and Collaborative Study area, email, text, or use instant messaging. (Visit libguides.richmond.edu/ or call 289-8669.)

DISABILITY SUPPORT SERVICES

If you believe you have a disability requiring an accommodation, please follow the procedures listed on the University of Richmond Disability Services website disability.richmond.edu/ to begin the accommodations process as soon as possible. If you already have a University of Richmond Disability Accommodation Notice (DAN), please make an appointment with me as soon as possible, so that I am aware of your accommodations. No student will receive accommodations of any kind without a DAN.

