

College of Business And Economics

Department of Finance Finance 320 – Business Finance

Sections 14, 15 and 85

Spring, 2005

**C. H. Schroeder, Instructor
Office: CP 1060-4
Office phone: 714-278 –2557 ext 6
E-mail: cschroeder@fullerton.edu**

**Office hours: See page 4
ETC: 154
949-936-1759
Copy to: 123chuckle@cox.net**

COURSE DESCRIPTION:

This course provides a background of the concepts, processes and institutions in the financing of the business enterprise, both domestically and worldwide. This material will be presented within the following business perspectives: A. ethical issues; B. global issues; C. political, social, legal, regulatory and environmental issues; and D. technological issues. Coverage of these topics is noted on the attached class schedule.

Topics covered include financing of enterprises; the time value of money and calculations of loan payments; financial analysis and planning; measurement of risk and rates of return; analysis of sources and uses of debt and equity financing; bond and stock valuation; determinants of the cost of capital; investment and capital structure decisions for firms; dividend policy; and selected topics in international finance.

The main purpose of the degree program at the College of Business and Economics (CBE) at Cal State Fullerton is to provide you with the knowledge and skills that prepare you for a successful career in business. In order to assist us in achieving this goal, we will use a number of assessment tools to track your progress through the CBE curriculum. Please expect to participate in the assessment activities in several of your courses while at CBE. As you do so, you will assist us in identifying our program's strengths and weakness as well as areas for potential improvement. In other words, you are making an important investment in the value of your degree.

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REQUIRED TEXT AND MATERIALS:

- a. Foundations of Finance (CSUF Custom Edition) by Keown, Martin, Petty and Scott. New texts come as a package including the book, study guide and a disk with FinCoach.
- b. Guide to Finance 320. Available in the bookstore or on the web at the Finance 320 homepage <http://business.fullerton.edu/finance/finance320.htm>;
- c. A financial calculator. Texas Instruments' BAII+ is highly recommended because the text and lectures indicate the keystrokes necessary to solve the problems including those on the FinCoach exam; and
- d. Prentice Hall Finance Center CD-ROM (which includes the FinCoach tutorial and access to the Prentice Hall Learning on the Internet Partnership). If the disk is not included with used texts, FinCoach is available through your instructor.

OTHER RECOMMENDED RESOURCES:

- a. Online resources: The Finance 320 homepage. This is useful to you and includes required readings, and sample FinCoach and final exams;
- b. The Wall Street Journal

Prerequisite: Completion of Accounting 201 A . Students are subject to administrative audit during the semester. An unqualified student will be administratively dropped.

COURSE OBJECTIVES:

The course objectives are to learn and understand the fundamental principles and applications of corporate finance which are outlined in the Guide to Finance 320.

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Approximate grade weightings will be as follows:

Midterm exams (2)	40%
FinCoach Exam	20
Departmental Final	20
Quizzes/homework	20
	100%

FinCoach is an interactive program designed to help you master the “mathematics of finance” and is a departmental requirement for the course. The Guide to Finance 320 contains information about the FinCoach software, required topics, exam tips and grading procedures. If you do not pass the first exam, you will be required to take a second exam. To avoid wasting time, be sure to read about what is included and not included in the required topics.

Plus/minus grading is used in this course and a curve is applied. Normally your lowest exam (excluding FinCoach and the final) is disregarded as are two or three of your lowest quizzes. Class participation is encouraged and may be used in the final grade evaluation, particularly if the student is on the borderline between two grades.

COURSE POLICIES:

Handwritten notes are permitted on all exams but they may not be copies of the PowerPoint slides; I reserve the right to review notes during the exam. No make-up exams or quizzes will be given. No excuses accepted. Late homework results in a markdown for the assignment. There are no extra credit opportunities.

Unannounced quizzes are given frequently. Please have ScanTrons with you for each class. For your first quiz, you must use ParScore form F-288 to enroll in this class. Thereafter you should use F-289. Your University-assigned ID number is not your social security number.

Erase at your own risk. The grading machine is very sensitive and may misread erasures. It is suggested that you mark the answers on the exam and then copy them to the ScanTron at the end of the exam. Exams will not be regraded because of erasures or missing answers. All exams must be returned with your name on them for credit.