

Shidler College of Business
University of Hawai'i at Manoa
BUS 314: Business Finance
Spring 2021

BUS 314 – Section 004 Wednesday, Friday 9:00-10:15am

BUS 314 – Section 005 Wednesday, Friday 1:30-2:45pm

Instructor: Hua Chen

Email: huachen@hawaii.edu

Office hours: Wednesday 10:30am-12pm. This is the dedicated office hour for this course. I am always available during this time period. If this time does not work for you, you can make an appointment for another time, but we need to coordinate. Due to COVID-19, we may not be able to meet in person. **Please always email at least one day ahead of time to make an appointment so I can schedule a Zoom meeting with you.**

Teaching Assistant: Ming Shou

Email: mshou@hawaii.edu

Office hours: Tuesday 10am-12pm. Please email to make an appointment.

Course Description:

As a prerequisite for all other finance courses, BUS 314 is the business core course in basic finance. It provides a broad exposure to financial theory, principles, concepts, tools, techniques, practices, and analysis. This class intends to introduce the students to the basic vocabulary and concepts of financial reasoning, give the student familiarity with key financial decisions made by firms and provide a conceptual framework for the analysis of these decisions. It focuses on how companies invest in real assets, how they raise the money to pay for these investments, and how they set dividend and payout policy. Major topics include: financial markets, time value of money, valuation of bonds and stocks, cost of capital, capital budgeting, capital structure, and risk estimation. Students will also learn the responsibilities of ethical and fiduciary behaviors through review of codes of ethics in the field of finance.

Objectives:

Upon completion of this course the students will be able to:

- Apply the principles of financial reasoning to business situations
- Assess business problems using time value of money techniques
- Perform quantitative and qualitative analysis of risk and return components
- Demonstrate general understanding of financial markets and instruments
- Apply the basic principles of security analysis

- Perform capital budgeting analysis
- Analyze business problems in capital structure and cost of capital

Textbook and other materials

- Textbook: Berk, DeMarzo, and Harford, Fundamentals of Corporate Finance, Pearson/Prentice-Hall, 5th edition.
- We will use the Interactive Digital Access Program (IDAP) program. When you register for this course, you will be charged for the ebook and online access to *MyFinanceLab* on your UH account.
- You can integrate MyfinanceLab with Laulima by following the instruction attached.
- Homework assignments and exams will be available via *MyFinanceLab*.
- Class slides and handouts will be available on Laulima before each class.

Calculator

An approved financial calculator is needed for this course. *You must bring the calculator to each class and each exam.*

There are only two types of calculators that can be used in the exams

- Texas Instruments BA II Plus (including BA II Plus Professional)
- Hewlett Packard 12C (including the HP 12C Platinum, 12C Platinum 25th anniversary edition, 12C 30th anniversary edition, and HP 12C Prestige)

However, I will use the Texas Instrument BA II Plus or BA II Plus Professional for illustration purposes in class. *So I strongly suggest you buy the Texas Instrument BA II Plus or BA II Plus Professional.*

Grading Structure

Attendance/Participation	10%
Homework Assignments	25%
Midterm 1 February 12 (tentative schedule)	20%
Midterm 2 March 31 (tentative schedule)	20%
Final exam	25%
	100%

The following table gives you the cutoff points for the final cumulative grades for this course

Grade	Cutoff	Grade	Cutoff
A+	97+	C+	77+
A	94+	C	74+
A-	90+	C-	70+
B+	87+	D+	67+
B	84+	D	64+
B-	80+	D-	60+

Attendance/Participation

Enrollment in a course presupposes intention to attend regularly. Students who are absent for any reason are responsible for work missed. Students should understand that excessive absences may, at the option of the instructor, jeopardize the grade and/or continuance in the course.

It is also important for students to participate the class. Students are expected to answer questions, make comments, join discussions, and present in class.

I will start to take attendance (via Zoom meeting record) after January 19, which is the last day to register for a course. Attendance accounts for 10 percent (that is, 10 points) of your grade. Each student gets three free passes for being late or absent without any penalty. Starting from the fourth recorded lateness or absence, 1 point will be deducted for each missing attendance record, no matter what reason it is.

Homework

Homework will be accessible via MyFinanceLab. *Any homework turned in after the due date and time will be considered late and will be subject to a penalty of a 25% reduction in your score. Homework will NOT be accepted beyond 24 hours after it is due.*

Exams

Exams will be scheduled via MyFinanceLab too.

Midterm exams are not cumulative, but the final exam is cumulative.

A review class will be given before each exam. It is essential that students understand how to solve for review questions and homework questions.

Makeup Midterm Exam Policy

- *No make-up exams will be given for any reason.*
- *If you must miss a scheduled midterm exam, you must notify me as soon as possible and provide a documented reason for your absence.*
- *If I agree that your reason is sufficient to warrant absence from the exam, the weight of the missed midterm exam will be added to the final exam (thus, your final exam score will count towards 45% of your total course grade).*
- *If I do not consider your excuse sufficient to warrant absence from the exam, you will be assigned a grade of 0 if you fail to take the exam.*
- *This policy will only count for one midterm exam. If you miss both midterm exams, you will receive a grade of 0 on the second missed exam.*

Rescheduling the Final Exam

If you cannot attend the final exam on the assigned time and day, read and follow the following guidelines. You **must** follow the directions to reschedule the final exam.

- Requests must be received by *at least two weeks prior to the final exam date*.
- A written letter must be provided, and must be supported by additional written documentation regarding the student's conflicting obligation.
- If a rescheduling request is approved, I will determine the date and time for an alternate examination. Usually, an alternate examination will be scheduled at an earlier, rather than a later, date.

Ethical Issues in Finance:

Students will review and discuss Codes of Ethics for financial planners and financial analysts. The importance of the fiduciary role, client confidentiality and the role of an agent will be explored. Students will analyze actual ethical problems that have arisen in financial institutions/markets and hypothetical cases involving ethical issues in a business financial setting.

Familiarity with Calculators:

Students should become completely familiar with the use of their calculators. In addition to the classroom instruction, a good way to improve proficiency is to go through the entire financial section of the calculator user manual, doing each of the examples provided. If you do not have the user manual to your calculator, they are available on-line. Calculator instruction guides and user manuals may not be used during exams.

Academic Dishonesty:

Instances of academic dishonesty, as defined by the University Student Conduct Code (<http://www.hawaii.edu/student/conduct>), will not be tolerated and any instance of academic dishonesty may result in a grade of "F." Further disciplinary sanctions may also be imposed by the Dean of Students in accordance with the fore-mentioned Student Conduct Code.

Dropping the Class:

For deadlines and information, check www.hawaii.edu/myuh/manoa.

Disability Access:

Students with disabilities are encouraged to contact the KOKUA Program for information and services. Services are confidential and students are not charged for them. Contact KOKUA at 956-7511 (voice/text), kokua@hawaii.edu, or Student Services Center, Room 13.

BUS 314 – Tentative Class Schedule (*Adjustments will be announced in class*)

Please note the following holidays and Spring Break

March 15-19, Spring Break

March 26, Kuhio Day

April 2, Good Friday

Part 1: Introduction (two weeks)

Chapter 1: Corporate Finance and the Financial Manager

Chapter 2: Introduction to Financial Statement Analysis

Part 2: Interest Rates and Valuing Cash Flows (four weeks)

Chapter 3: Time Value of Money: An Introduction

Chapter 4: Time Value of Money: Valuing Cash Flow Streams

Chapter 5: Interest Rates

Chapter 6: Bonds

Chapter 7: Stock Valuation

Part 3: Valuation and the Firm (three weeks)

Chapter 8: Investment Decision Rules

Chapter 9: Fundamental of Capital Budgeting

Chapter 10: Stock Valuation: A Second Look

Part 4: Risk and Return (three weeks)

Chapter 11: Risk and Return in Capital Markets

Chapter 12: Systemic Risk and the Equity Risk Premium

Chapter 13: The Cost of Capital

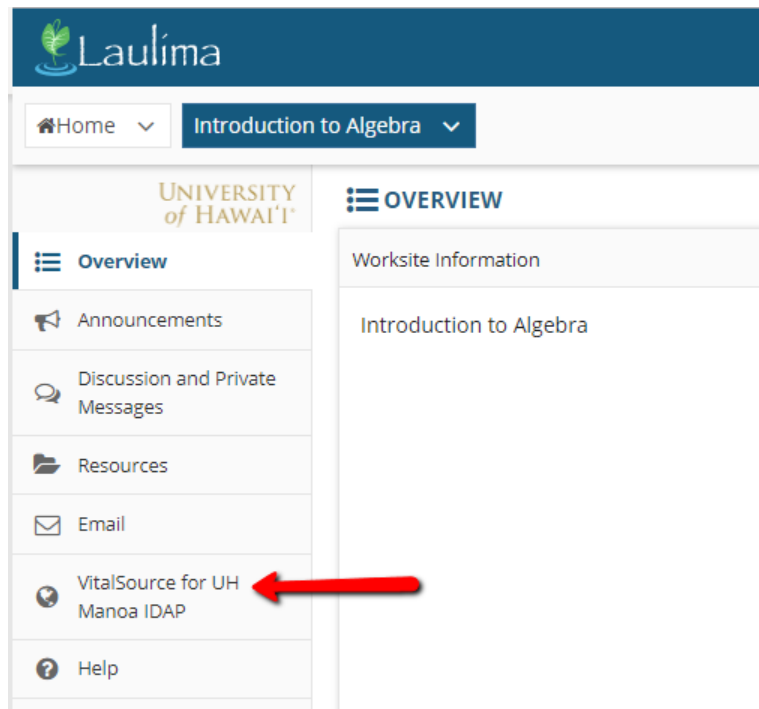
Part 5: Capital Structure (two weeks)

Chapter 16: Capital Structure

Access a MyLab or Mastering Course in Laulima (Sakai) via Partner Integration

Launch Pearson Content

Enter your Laulima course and locate the Vitalsource app. The name and location of the app may vary based on the set up of the course. In the example below, select **Vitalsource for UH**.



Under My Courses Home, your Pearson materials tied to this course will appear.

- If you are currently *Opted In* for course material access, the “I am opted-in to this resource” checkbox is selected. To access your course materials, select the **Launch Courseware** button.

VitalSource

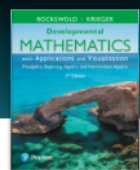
Instructor Portal My Courses Home

Welcome Drew HammerbeckTest!

1 Course, 1 Material

Introduction to Algebra

Item Info



MyLab Math for Developmental Mathematics with Applications and Visualization: Prealgebra, Beginning Alg...
ISBN: 9780136422228 By: Gary K. Rockswold / Terry A. K...


IDAP

The last day to opt out for students is 07/01/2020.

Read Now Launch Courseware

Select the **Open MyLab & Mastering** button to launch your Pearson course.

P Pearson



Open MyLab & Mastering

Home Help & Support

Student Links

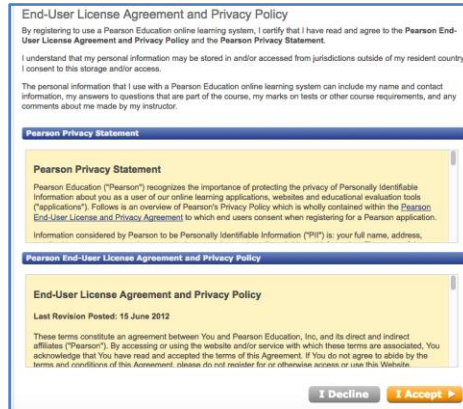
- MyMathLab All Assignments
- MyMathLab with Pearson eText Course Home

Help & Support

Learn how to use MyLab password, or access sup

Link User Accounts, if needed

If prompted, select **I Accept** to agree to Pearson's End User License Agreement.



End-User License Agreement and Privacy Policy

By registering to use a Pearson Education online learning system, I certify that I have read and agree to the **Pearson End-User License Agreement and Privacy Policy** and the **Pearson Privacy Statement**.

I understand that my personal information may be stored in and/or accessed from jurisdictions outside of my resident country. I consent to this storage and/or access.

The personal information that I use with a Pearson Education online learning system can include my name and contact information, my answers to questions that are part of the course, my marks on tests or other course requirements, and any comments about me made by my instructor.

Pearson Privacy Statement

Pearson Privacy Statement

Pearson Education ("Pearson") recognizes the importance of protecting the privacy of Personally Identifiable Information about you as a user of our online learning applications, websites and educational evaluation tools ("Applications"). Follows an overview of Pearson's Privacy Policy which is wholly contained within the **Pearson End-User License and Privacy Agreement** to which end users consent when registering for a Pearson application.

Information considered by Pearson to be Personally Identifiable Information ("PII") is: your full name, address,

Pearson End-User License Agreement and Privacy Policy

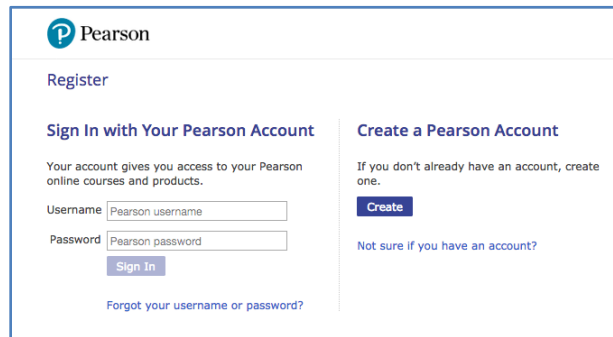
End-User License Agreement and Privacy Policy

Last Revision Posted: 15 June 2012

These terms constitute an agreement between You and Pearson Education, Inc. and its direct and indirect affiliates ("Pearson"). By accessing or using the website and/or service with which these terms are associated, You acknowledge that You have read and accepted the terms of this Agreement. If You do not agree to abide by the terms and conditions of this Agreement, please do not register for or otherwise access or use this Website.

I Decline **I Accept**

Link your Laulima user account to either an existing Pearson account by entering your Pearson Username and Password or to a new user Pearson account by selecting the Create button.



Pearson

Register

Sign In with Your Pearson Account

Your account gives you access to your Pearson online courses and products.

Username

Password

Sign In

[Forgot your username or password?](#)

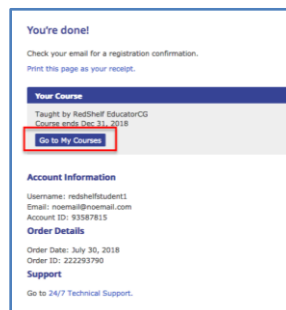
Create a Pearson Account

If you don't already have an account, create one.

Create

[Not sure if you have an account?](#)

After linking your accounts, select **Go to My Courses**.



You're done!

Check your email for a registration confirmation.

Print this page as your receipt.

Your Course

Taught by RedShelf EducatorCG

Course ends Dec 31, 2018

Go to My Courses

Account Information

Username: redshelfstudent1

Email: noemail@noemail.com

Account ID: 93367813

Order Details

Order Date: July 30, 2018

Order ID: 22293790

Support

Go to 24/7 Technical Support.