

## **BUS 314: Business Finance**

### ***Summer 2020 (Online)***

This syllabus is subject to change as the semester progresses.

Instructor: Ming Shou

Email: mshou@hawaii.edu

Class Meetings: MTWRF 10:30-11:45 am at Zoom

Office Hours: By appointment at Zoom

Join Zoom Meeting:

<https://hawaii.zoom.us/j/96886309715?pwd=Tm5CTTA0T0RRMmdhSXYzMEhPd013dz09>

Meeting ID: 968 8630 9715

Password: 96056

This is a synchronous course. Links for recorded course videos will be available on Lulima.

### **1. Prerequisites**

ACC 201 and 202, or consent.

### **2. Course Description and Objectives:**

As a prerequisite for all other finance courses, BUS 314 is the business core course in basic finance. It provides 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 policies. Major topics include financial markets, time value of money, valuation of bonds and stocks, cost of capital, capital budgeting, capital structure, dividend policy, and risk estimation.

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

- Apply the principles of financial reasoning to business situations
- Assess business problems using the time value of money techniques

- Perform quantitative and qualitative analysis of risk and return components
- Demonstrate a general understanding of financial markets and instruments
- Apply the basic principles of security analysis
- Perform capital budgeting analysis
- Analyze business problems in capital structure, dividend policy, and cost of capital

### 3. Course Materials

- Textbook: Berk, DeMarzo, and Harford, Fundamentals of Corporate Finance, Pearson/Prentice-Hall, 4th edition.
- MyFinanceLab is required for this course in order to complete assignments and exams. See the last page of this syllabus for MyFinanceLab registration.
- Class slides will be available on Lulima.
- A financial calculator is required. (Suggested model: Texas Instruments BA II Plus or BA II Plus Professional Calculator).

### 4. Course Requirements

**Grading:** Your course grade will be based on a reasonable curve over the weighted sum of grades accumulated on assignments, a project, and exams. The weighting scheme is:

<b>Description</b>	<b>Percent</b>
Assignments	35
Project	5
Midterm1	20
Midterm2	20
Final Exam	20
<b>Total</b>	<b>100</b>

The guidelines for letter grades are as follows. Plus or minus grades will be used to distinguish performance within letter grades.

- A = demonstrates outstanding mastery of topics and outstanding ability to apply and extend concepts;
- B = demonstrates above-average mastery of topics and ability to apply them;
- C = demonstrates mastery of topics and ability to apply them;
- D = inadequate demonstration of topic mastery and application;
- F = grossly inadequate demonstration of topic mastery and applications.

**Assignments:** Assignments will be posted on Pearson's MyLab Finance. Please see the last page for instructions of MyLab registration.

Please submit your homework through MyLab on time—**late submission will not be accepted.**

**Project:** There is a project on the risk and return of stocks and portfolios. This project involves applications of what we study from class and using Excel spreadsheets. Detailed descriptions and requirements about the project will be discussed in class later.

**Examinations:** There will be two midterms and a final exam in class time on the scheduled dates on MyLab Finance (online). All exams will be open-book and open-note.

Except for extenuating circumstances, *no make-up exam* will be allowed. If an exam must be missed, the student must request approval from the instructor **prior** to the absence. **No make-up exam will be given without prior approval** and will be considered only in legitimate, unavoidable circumstances. **Proper documentation for the absence must be presented.** If allowed, make-up exams will be scheduled at the discretion of the instructor and the instructor reserves the right to deduct points as deemed appropriate. Make-up exams may be more rigorous and graded to a higher standard than the original.

## 5. Administration

**Students with Disabilities:** Students with disabilities are encouraged to contact me and the KOKUA Program for accommodations. For more information about the KOKUA Program, visit <http://www.hawaii.edu/kokua/>. Any student with special needs should bring this to the attention of the instructor as soon as possible, but not later than the end of the second week of class.

**Academic Honesty:** Students are expected to be responsible in relations with other members of the UH Manoa community, respect the interests of the institution, and follow the Student Code of Conduct, which is available at [http://www.studentaffairs.manoa.hawaii.edu/policies/conduct\\_code/](http://www.studentaffairs.manoa.hawaii.edu/policies/conduct_code/). Violations of this code include matters of alleged academic dishonesty, such as cheating and plagiarism. According to the Code of Conduct:

The term "cheating" includes, but is not limited to: (1) use of any unauthorized assistance in taking quizzes, tests, or examinations; (2) use of sources beyond those authorized by the instructor in writing papers, preparing reports, solving problems, or carrying out other assignments; (3) the acquisition, without permission, of tests or other academic material belonging to a member of the UH faculty, staff or student; (4) engaging in any behavior specifically prohibited by a faculty member in the course syllabus or class discussion.

The term "plagiarism" includes, but is not limited to, the use, by paraphrase or direct quotation, of the published or unpublished work of another person without full and clear acknowledgment. It also includes the unacknowledged use of materials prepared by another person or agency engaged in the selling of term papers or other academic materials.

All incidents will be handled in accordance with the UH Student Code of Conduct.

## 6. Tentative Course Schedule

The schedule is subject to change as the semester progresses. Students are expected to read the relevant chapters before class.

<b>Weeks</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>
Jul. 6-Jul. 10	Syllabus Ch1	Ch2	Ch3	Ch3	Ch4
Jul. 13-Jul. 17	Ch4	Ch5	Ch5	Midterm1 Review	<b>Midterm1</b> (7.17)
Jul. 20-Jul. 24	Ch6	Ch6	Ch7	Ch7	Ch8
Jul. 27-Jul. 31	Ch8	Ch9	Ch9	Midterm2 Review	<b>Midterm2</b> (7.31)
Aug. 3-Aug. 7	Ch10	Ch10	Ch11	Ch11	Ch12
Aug. 10-Aug. 14	Ch12	In-class Project	In-class Project/ Ch13	Final Exam Review	<b>Final Exam</b> (8.14)

## Student Registration Instructions

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### To register for **BUS314 (IDAP) -Summer 2020**:

1. Go to <https://www.pearson.com/mylab>.
2. Under Register, select **Student**.
3. Confirm you have the information needed, then select **OK! Register now**.
4. Enter your instructor's course ID: **shou68702**, and **Continue**.
5. Enter your existing Pearson account **username** and **password** to **Sign In**.  
You have an account if you have ever used a MyLab or Mastering product.  
» If you don't have an account, select **Create** and complete the required fields.
6. Enter the access code: **HSCOFE-CHOLI-STORY-MANET-HAUNT-RISES**
7. From the You're Done! page, select **Go To My Courses**.
8. On the My Courses page, select the course name **BUS314 (IDAP) -Summer 2020** to start your work.

### To sign in later:

1. Go to <https://www.pearson.com/mylab>.
2. Select **Sign In**.
3. Enter your Pearson account **username** and **password**, and **Sign In**.
4. Select the course name **BUS314 (IDAP) -Summer 2020** to start your work.

### To upgrade temporary access to full access:

1. Go to <https://www.pearson.com/mylab>.
2. Select **Sign In**.
3. Enter your Pearson account **username** and **password**, and **Sign In**.
4. Select **Upgrade access** for **BUS314 (IDAP) -Summer 2020**.
5. Enter an access code or buy access with a credit card or PayPal.