



Seattle University
Albers School of Business and Economics

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Course Description: Business Finance Section 1

Classroom: 201

Class time: MWF 10:55 – 12:20

Office hours: MWF 9:45 - 10:45 and 12:30 – 1:30, and by appointment. Virtual office hour appointments available Tuesdays and Thursdays.

FINC 3400: Business Finance Section 1

This course covers the foundations of finance with an emphasis on applications that are vital for corporate managers and investors. We will discuss many of the major financial decisions made by managers both within the firm and in their interactions with investors, with the focus on the sources, uses, costs, and control of funds in business organizations. Topics include financial statement analysis, criteria for making investment decisions, valuation of financial assets and liabilities, relationships between risk and return, and market efficiency.

Learning Objectives:

The primary learning objective of FINC 3400 is to provide students with knowledge and critical- thinking skills. Critical-thinking involves quantitative and qualitative skills to access, develop, analyze and use information to solve business problems and make decisions.

After completing this course, the student will be able to

- understand the objectives, functions, and principles of financial management
- understand financial statements and be able to analyze them
- understand how financial securities are valued and how financial markets interact with businesses.
- understand the theory of risk and return and the principles of securities valuation
- know the principles and techniques of capital budgeting analysis and project selection
- know the fundamental drivers of financing policy in a corporation
- understand the theory of cost of capital, financial leverage, and valuation
- be proficient in the financial calculator and Excel
- be able to apply the principles of financial management to business and personal decisions

Course Materials:

Textbook: Essentials of Corporate Finance, Ross, Westerfield, and Jordan, 10th Ed., ISBN 978-1-260-01395

Important: The online homework package sold by the publisher is **not** required for this class. All homework and quizzes will be turned in at the beginning of the class assigned and will be on paper. There is no online homework for this class.

Financial Calculator:

You are required to have a calculator that can perform financial calculations. I know how to use the **Texas Instruments BA II plus**. You can also choose calculators that have built-in financial functions. It should be able to calculate IRR (internal rate of return) for a stream of uneven cash flows. You may use a calculator on your phone for the quizzes and exams.

Recommended Resources:

Reading is fundamental. I suggest a regular read of the Wall Street Journal or other business-oriented publication.

Class Operation:

The course meets three times a week. Attendance is not mandatory but highly recommended. I will cover material in lectures that will emphasize specific parts of the textbook and this emphasis will give you an excellent guide as to material on the quizzes and exams.

Office Hours:

You may come and see me in office hours for any issue you are having in class. I have found that getting extra help in office hours can be a valuable study aid in this class.

Evaluation: You will be evaluated based on problem sets, quizzes, and exams. There is also a term project.

Problem Sets: You may work as teams on your problem sets. If you work as a team, please only turn in one copy of the problem set with every team member's name on it. There are seven problem sets each worth 5% of your grade.

Quizzes: There are five quizzes each worth 5% of your grade. Quizzes are timed and are given at the beginning of class. If you are late there is no guarantee you will get time beyond that allocated for the quiz. You may bring one page of notes, front and back, 8.5 X 11 to each quiz with anything you want written on it.

Exams: Exams are on the days shown on the syllabus. Each exam is worth 10% of your grade. They are timed and will take the entire period. You may bring 5 pages of notes, anything you want written on them to each exam. The exams are not cumulative, and neither is the final.

Term Project: More will be coming on this as the semester progresses and we will be learning material throughout the term that will allow you to complete the project. Overall the project is an Excel Workbook that you design that does your personal retirement planning. You will be expected to use online resources to estimate your starting salary when you graduate, growth in that salary, expected rates of return on your investments, and a payout plan for your retirement. This project is worth 10% of your grade.

Grading scale: This class is graded on the curve. You will thank me for that later. If at any time you want to know where you stand in class, you may e-mail, and I will tell you your class rank and what grade you would receive if the class were to end that day. We will discuss this many times in class.

Re-grading Policy: If you feel I have graded in error, you may resubmit your paper for a regrade. If I made a mistake in one place I may find mistakes elsewhere as well, and you may end up with a lower grade. Regrading is not a risk-free activity.

Make-up Exam Policy: If you will miss an exam I need to be told prior to the exam.

Class Schedule:

FIN 3400 Schedule
Winter 2020

| Date | Assigned Reading | Quiz or Test | Assignment Due |
|------------|------------------|--------------|------------------------------|
| January 6 | Chapter 1 | | |
| January 8 | Chapter 2 | | |
| January 10 | | | PS 1 C2: 1, 5, 9, 13, 21 |
| January 13 | Chapter 3 | | |
| January 15 | | Quiz 1 | |
| January 17 | Chapter 4 | | PS 2 C3: 4, 7, 12, 15, 29 |

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|-------------|------------|-----------|---|
| | | | C4: 8, 11, 14, 25 |
| January 22 | Chapter 5 | | |
| January 24 | | | PS 3 C5: 1, 3, 5, 14, 25, 35, 40 |
| January 27 | | | |
| January 29 | | Midterm 1 | |
| January 31 | Chapter 6 | | |
| February 3 | | | |
| February 5 | | | PS 4 C6: 3, 17, 19, 21, 31, 33 |
| February 7 | Chapter 7 | | |
| February 10 | | Quiz 2 | |
| February 12 | Chapter 8 | | PS 5 C7: 7, 15, 19, 24 C8: 3, 5, 11, 24 |
| February 14 | | | |
| February 19 | | Quiz 3 | |
| February 21 | Chapter 9 | | PS 6 C9: 5, 14, 23, 29, 30 |
| February 24 | | | |
| February 26 | | Midterm 2 | |
| February 28 | No class | | |
| March 2 | Chapter 10 | | |
| March 4 | Chapter 11 | Quiz 4 | |
| March 6 | | | PS 7 C10: 3, 9, 18, 21 C11: 4, 6, 9, 11, 17 |
| March 9 | Chapter 12 | | |
| March 11 | Chapter 13 | Quiz 5 | |
| March 13 | Chapter 14 | | Project Due |
| March 16 | | | |

Academic Resources

- Library and Learning Commons (<http://www.seattleu.edu/learningcommons/>)
(This includes: Learning Assistance Programs, Research [Library] Services, Writing Center, Math Lab)
- Academic Integrity Tutorial (found on Canvas and SU Online)

Academic Policies on Registrar website (<https://www.seattleu.edu/redhawk-axis/academic-policies/>)

- Academic Integrity Policy

- Academic Grading Grievance Policy
- Professional Conduct Policy (only for those professional programs to which it applies)

Notice for students concerning Disabilities

If you have, or think you may have, a disability (including an 'invisible disability' such as a learning disability, a chronic health problem, or a mental health condition) that interferes with your performance as a student in this class, you are encouraged to arrange support services and/or accommodations through Disabilities Services staff located in **Loyola 100, (206) 296-5740**. Disability-based adjustments to course expectations can be arranged only through this process.

Notice Regarding Religious Accommodations

It is the policy of Seattle University to reasonably accommodate students who, due to the observance of religious holidays, expect to be absent or endure a significant hardship during certain days of their academic course or program. Please see, *Policy on Religious Accommodations for Students* (<https://www.seattleu.edu/media/policies/Policy-on-Religious-Accommodations-for-Students---FINAL.PDF>).

Office of Institutional Equity

Title IX of the Education Amendments of 1972 (Title IX) prohibits discrimination based on sex in educational programs or activities that receive Federal financial assistance. This prohibition includes sexual misconduct, which encompasses sexual harassment and sexual violence. Seattle U remains committed to providing a safe and equitable learning, living, and working environment. Seattle U offers emergency, medical, and other support resources, as well as assistance with safety and support measures, to community members who have experienced or been impacted by sexual misconduct.

Seattle U requires all faculty and staff to notify the University's Title IX Coordinator if they become aware of any incident of sexual misconduct experienced by a student.

For more information, please visit <https://www.seattleu.edu/equity/>. If you have any questions or concerns, you may also directly contact the Title IX Coordinator in the Office of Institutional Equity (**email:** oi@seattleu.edu; **phone:** 206.296.2824) University Resources and Policies