



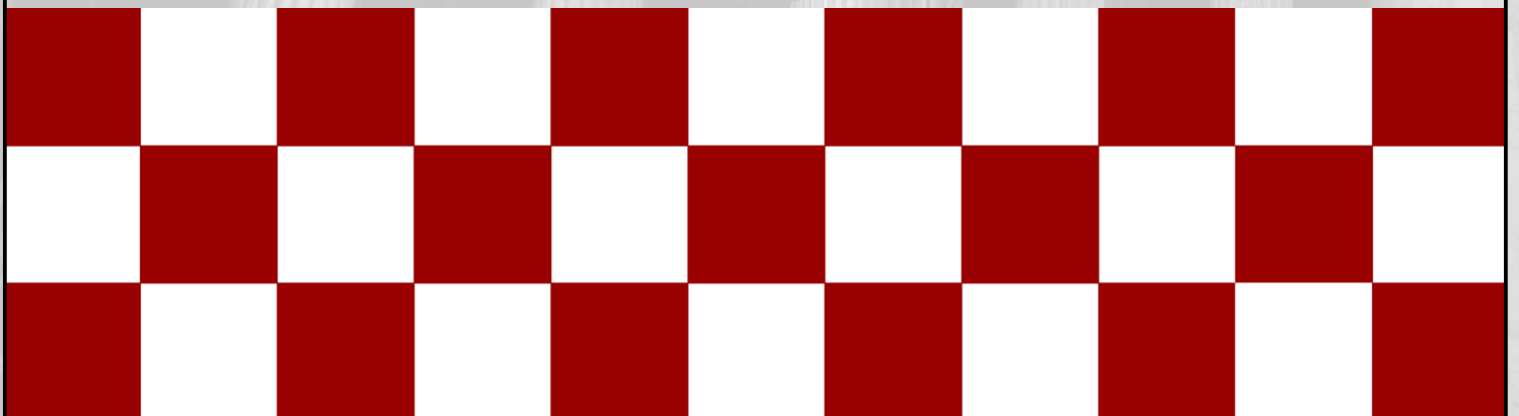
ROBINS
School of Business™

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! This class explores the management of funds, the raising and allocation of capital, investing, and financial institutions. We'll begin with *corporate finance*, or the study of firm decision making before evaluating firm health and quality through its financial statements and cash flow.

Next, we'll cover a foundational concept in finance: the time value of money. Cash in hand is worth more than cash received in the future because of uncertainty. We will apply time value of money concepts to *valuation*, the practice of determining what an asset is worth given the timing, magnitude, and risks associated with its cash flow. This helps investors assess the quality of an investment opportunity.

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 let me know. 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
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PROFESSOR

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CLASS TIMES & LOCATIONS

Sec 01: MW 9 AM (BUS 254)

Sec 02: MW 10:30 AM (BUS 254)

OFFICE HOURS (RSB 329)

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. Securities, Valuation, and Markets

ASSIGNMENTS & POINTS

Exam 1	225
Exam 2	225
Final Exam (Comprehensive)	350
Problem Sets	120
Financial Analysis Report	80
<i>Total</i>	1000

GRADING SCALE

A	930+	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 differences between accounting income and cash flow.
- 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, equity securities, and their markets.
- Determine a security's expected return by the capital asset pricing model.

PREREQUISITES

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

A TYPICAL CLASS DAY

We begin by discussing financial news and upcoming events in the class and at UR/Robins before moving on to the lecture. Each section has accompanying lecture notes posted to the course website. Review and bring these notes to class, either printed or on an iPad/tablet. I recommend taking notes directly on the lecture notes themselves. You may be called on to participate.

MATERIALS

1. **Course Files** (Required): josephfarizo.com/fin360.html. (free)
2. **Financial Calculator** (Required): TI BA II Plus tinyurl.com/fincalc360 (~\$35)
3. **Microsoft Office 365 - Word, Excel** (Required): tinyurl.com/MSFT365UR (free)
4. **Adobe Scan** (Required): adobe.com/acrobat/mobile/scanner-app.html (free)
5. **Textbook** (Optional): *Fundamentals of Corporate Finance* tinyurl.com/rwj13ed (\$67 - \$197)

GRADED ASSESSMENTS

EXAMS (800 POINTS)

	Date	Probable Material	Points
Exam 1	Monday, Sep. 29	§1. Introduction to Corporate Finance §2. Financial Statements and Cash Flow §3. Working with Financial Statements §4. Long Term Financial Planning and Growth	225
Exam 2	Monday, Nov. 10	§5. Time Value of Money §6. Multiple Cash Flow §7. Compounding Periods and Amortizing Loans §8. NPV, IRR, and Capital Investment Decisions	225
Final Exam	10:30 Section Mon., Dec. 8 @ 9am 9:00 Section: Fri., Dec. 12 @ 9am	<i>New Material (175 of 350 points):</i> §9. Bond Basics and Definitions §10. Bond Valuation §11. Equity Securities §12. Stock Valuation §13. Risk, Return, the Security Market Line and Cost of Capital <i>Cumulative Material (175 of 350 points):</i> Exam 1 Material (§1 – §4) Exam 2 Material (§5 – §8)	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. A formula sheet will be provided. Questions may include:

- computations
- multiple-choice
- fill-in-the-blank
- true/false
- short answer
- essay
- illustrations and graphics
- financial news articles

PROBLEM SETS (120 POINTS)

There are six problem sets. Each problem set has numerous versions. Each student will be assigned one version to complete that is unique from all others. Students must complete only the version they are assigned. Problem sets will be emailed and submitted electronically. Late assignments are not accepted.

	Due Date	Probable Material	Points
PS 1	Announced in class.	§2 and 3	20 points each
PS 2		§4	
PS 3		§5, 6, 7	
PS 4		§7, 8	
PS 5		§10 and 12	
PS 6		§12 and 13	

FINANCIAL ANALYSIS REPORT (80 POINTS)

We will apply the techniques we learn about in class to evaluate a company. The deadline to select your company and upload data is **4pm on Friday, September 5**. The deadline to upload a completed report on your company is **4pm on Friday, December 12**. If you turn in your completed report before **4pm on Friday, December 5**, you will earn 7 bonus points.)

GRADING SCALE

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

A 930+	B- 800	D+ 670
A- 900	C+ 770	D 630
B+ 870	C 730	D- 600
B 830	C- 700	F Below

The grade thresholds in the above table are absolute: you cannot petition for an 899 to be rounded up to an A- (and so on). It is your responsibility to notify the instructor within one week of a graded assignment if you believe there was a grading error. No grading adjustments will be made after the semester has concluded, nor will any extra credit or bonus assignments be made available at that time.

EXPECTATIONS

PROFESSIONALISM POLICIES

To ensure a productive and respectful learning environment, we all need to uphold certain expectations. Consistent engagement and adherence to class norms will help you succeed in this course.

A small deduction to your overall (*5 points per instance*) will be applied for issues pertaining to the following list. Students with approved disability accommodations may be granted specific exemptions from policies as outlined in their accommodation plan.

- Missing class or tardiness (after two instances).
- Missing a scheduled appointment with the professor (cancel 8 hours prior to avoid the penalty).
- Chatting with others during class.
- Using your laptops/phones/electronics during class unless otherwise instructed to do so (iPads and tablets are fine if used to take *written* notes – laptops prohibited because we do written problem solving and computations).
- Exiting and reentering during class. (Leaving early without reentering due to emergencies or with prior approval of the instructor is *not* penalized).
- Consistent inability to participate when called on in class.
- Failure to complete occasional brief tasks (i.e., readings, surveys, etc.) as requested.
- Disruptive or rude behavior.

I will always have a discussion with you if I believe you have violated any policy before deducting points. Point deductions are intended as gentle reminders, not major penalties, and have been *very rare* in the past. These policies aim to foster a positive and respectful class environment for everyone. If you have questions or challenges meeting these expectations, please contact me – I am here to support you!

DEADLINES & MAKEUPS

Unexcused late assignment submissions 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) and (2) University-sponsored academic or athletic functions. Advance notice and documentation must be provided when possible.

All exam makeups will take place during the last week of Fall classes.

ATTENDANCE

While you are expected to attend and participate in class, do not come to class if you feel ill. Notify me and schedule an appointment if necessary. Attend only the class section for which you are registered.

In addition to the attendance expectation outlined in the professionalism policy above, Robins School of Business rules state that any student missing more than 25% of class meetings (or more than 7 classes) for *any* reason cannot earn credit for the course.

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.

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.

FEEDBACK

I take feedback seriously and offer multiple ways for you to let me know your opinions. I will occasionally send surveys to gather thoughts about the course. An online “Suggestion Box” is available at <https://forms.gle/yHUdfC9Cv3e3HsEH7>. Unless otherwise specified, these surveys are anonymous.

IMPORTANT DATES

Date	Agenda Item
Friday, Sep. 5	Financial Analysis Report – Selection/Document Upload @ 4pm
Monday, Sep. 29	Exam 1
Monday, Oct. 13	No Class – Fall Break
Monday, Nov. 10	Exam 2
Wednesday, Nov. 26	No Class – Thanksgiving Break
Friday, Dec. 5	Financial Analysis Report – Report Early Deadline (+7 points) @ 4pm
Monday, Dec. 8	10:30 Section Final Exam @ 9am
Friday, Dec. 12	9:00 Section Final Exam @ 9am
Friday, Dec. 12	Financial Analysis Report – Report Final Deadline @ 4pm

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

APPENDIX

LEARNING GOALS & OBJECTIVES

AACSB Objectives for Principles of Financial Management (FIN 360)

The goal of the firm, from the Financial Manager's perspective, is to maximize the value of the firm. Therefore, valuation is the core theme of the course.

AACSB Objectives Outline Reference	Course Objectives
O1.2, O3.2	Understand the basic types of financial management decisions, the role of the financial manager, the goal of financial management, and agency conflicts among different stakeholders in a corporation that influence this goal.
O1.1, O2.2, O4.1	Understand the difference between accounting income and cash flow; calculate a firm's cash flows from its financial statements.
O1.1, O2.2, O4.1	Understand how to interpret common ratios to perform Financial Analysis from a firm's financial statements.
O1.1, O2.2	Understand the concept and determinants of growth in the firm.
O1.1, O2.2	Understand the concept of time value of money and its importance in valuation and use the concepts in all forms of time value calculations.
O1.1, O2.2	Understand the features and types of bonds and calculate the value of fixed income securities.
O1.1, O2.2	Understand the characteristics of equity securities and calculate the value and returns of stocks; understand the basics of the stock markets.
O1.1, O2.2	Understand the issues involved in capital budgeting and use the different criteria and cash flows to make valuation decisions of capital projects.
O1.1, O2.2	Understand the concept and impact of diversification and the CAPM model.
O1.1, O2.2	Understand the concept of a firm's cost of capital and how it is used in capital budgeting.

Learning Goal 1: Our graduates will be able to analyze and think critically to solve complex business problems. **O1.1** Students will produce solutions to business problems using appropriate analysis. **O1.2** Students will identify core issues, key stakeholders and their perspectives, and evaluate and apply evidence in support of a coherent position or recommendation.

Learning Goal 2: Our graduates will be effective communicators. **O2.1** Students will make a professional and effective oral presentation. **O2.2** Students will write a cogent analysis of a business or economic situation.

Learning Goal 3: Our graduates will possess the interpersonal skills needed to work effectively in a global and diverse business environment. **O3.1** Students will demonstrate an ability to work in teams and collaborate with others. **O3.2** Students will demonstrate an ability to make decisions considering the ethical implications and the impact on multiple stakeholders.

Learning Goal 4: Our graduates will demonstrate knowledge across the primary functional areas of business. **O4.1** Students will demonstrate an understanding of the functional areas of business in accounting, economics, finance, management, marketing, and analytics & operations

UNIVERSITY RESOURCES

WEINSTEIN LEARNING CENTER

The Weinstein Learning Center is your go-to destination for academic support. To learn more and view service schedules and appointment times, visit wlc.richmond.edu. Available services include at the Weinstein Learning Center include:

ACADEMIC SKILLS COACHING

Meet with a professional staff member who will collaborate with you to assess and develop your academic and life skills (e.g., critical reading and thinking, information conceptualization, concentration, test preparation, time management, stress management, and more).

CONTENT TUTORING

Peer consultants offer assistance in specific courses and subject areas. They are available for appointments (in-person and virtual) and drop-in sessions. See schedules at wlc.richmond.edu for supported courses and drop-in times.

ENGLISH LANGUAGE LEARNING

Attend one-on-one or group consultations, workshops, and other services focused on English, academic, and/or intercultural skills.

QUANTITATIVE AND PROGRAMMING RESOURCES

Peer consultants and professional staff offer workshops or one-on-one appointments to build quantitative and programming skills and provide statistical assistance for research projects.

SPEECH AND COMMUNICATION

Prepare and practice for academic presentations, speaking engagements, and other occasions of public expression. Peer consultants offer recording, playback, and coaching for both individual and group presentations. Students can expect recommendations regarding clarity, organization, style, and delivery.

WRITING

Assists student writers at all levels of experience, across all majors. Meet with peer consultants who can offer feedback on written work and suggest pre-writing, drafting, and revision strategies.

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. Visit careerservices.richmond.edu/.

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. Visit caps.richmond.edu or call 289-8119.

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. The library research guides are at libguides.richmond.edu.

DISABILITY SUPPORT SERVICES

The University of Richmond's office of Disability Services strives to ensure that students with disabilities and/or temporary conditions (i.e., concussions & injuries) are provided opportunity for full participation and equal access. Students who are experiencing a barrier to access due to a disability and/or temporary condition are encouraged to apply for accommodations by visiting disability.richmond.edu, calling 804-662-5001, or emailing disability@richmond.edu.

Once accommodations have been approved, students must 1) Submit their Disability Accommodation Notice (DAN) to each of their professors via the Disability Services Student Portal available at this link: sl.richmond.edu/be. and 2) Request a meeting with each professor to create an accommodation implementation plan. It is important to complete these steps as soon as possible because accommodations are never retroactive, and professors are permitted a reasonable amount of time for implementation. Disability Services is available to assist, as needed.

