

Finance 103A

Contact Details

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Delivery mode: online

Communication

Essential communication from me about the course will go out over the LATTE electronic mail platform. Students should contact me via email (shenkaiwu@brandeis.edu) or via the LATTE electronic mail platform.

Continuity

We expect class meetings to be online this semester. Depending on guidance from Brandeis University, course sessions and office hours will be conducted over the Zoom platform. Messages about disruption and continuity will go out to students via both the LATTE electronic mail platform and also via email.

Meeting Times/Locations

Classes

M/Tu/Th 9:00am ET – 11:30am ET. This course is expected to be an “online” course over Zoom.

Labs or sections

There is no lab for this course. The Instructional Assistant (IA) will be Dziyana Babich (dianababich@brandeis.edu) and David Mai (dmai@brandeis.edu); they will hold regular office hours.

Student Hours

At a time to be determined early in the semester, based on mutual convenience of instructor and class. These office hours will generally be held over Zoom. Students who are not available at those hours and in particular students who are in distant time zones are encouraged to reach out to me to make appointments at more convenient times.

Accommodations

Brandeis seeks to create a learning environment that is welcoming and inclusive of all students, and I want to support you in your learning. If you think you may require disability accommodations, you will need to work with Student Accessibility Support (SAS) (781-736-3470, access@brandeis.edu). You can find helpful student FAQs and other resources on the [SAS website](#), including guidance on how to know whether you might be eligible for support from SAS. If you already have an accommodation letter from SAS, please provide me with a copy as soon as you can so that I can ensure effective implementation of accommodations for this class. In order to coordinate exam accommodations, ideally you should provide the accommodation letter at least 48 hours before an exam.

Course Description

Course Prerequisite(s):

BUS 6A or equivalent is a prerequisite. BUS 51A or equivalent is a prerequisite or co-requisite. The course may not be taken for credit by students who have already taken BUS 71A for credit. This course may not be counted as an elective toward the Economics major or minor.

Learning Goals:

The primary goal of this course is to develop the financial skills and logical thought processes necessary to make and implement business decisions in a global environment. Upon successful completion of this course, students will have developed an understanding of key concepts of the financial environment within which management must operate, the processes of financial analysis, the time value of money, methods of stock and bond valuation and the relationship of valuation to risk and return. We will look at several basic questions:

- What functions do financial markets serve?
- How do firms use and deal with financial markets to raise capital?
- How do investors approach financial decisions?
- How do we value financial securities, for example stocks and bonds?

We will analyze how financial managers make decisions within a framework that emphasizes the time value of money and the relationship between expected return and risk. In addition, we will examine the techniques that financial managers use to evaluate feasibility of undertaking new projects (i.e., capital budgeting).

Textbook:

The textbook for this course is “Essentials of Corporate Finance”, by Jordan, Westerfield, and Ross. Students should use the 11th edition of this textbook. The textbook is required, but there is no need to get access to the online “Connect” resource offered by the publisher.

Credit Hours:

Our expectation is that success in this course will require spending a minimum of nine hours of study time per week in preparation for this class. This preparation will include but not be limited to study, readings, and problem sets.

Course Requirements**Attendance**

Class attendance and class participation will be part of students’ grades in this class.

Assignments

Homework will be due before almost every class session and will form part of the grade. Homework will be submitted via that LATTE platform. Homework will be accepted late but a grade penalty may be applied (20% for each late day).

Exams/Quizzes

There will be a final exam on July 5. Students will be expected to take the exam at that time. The final exam will cover the entire course.

Participation

Participation will account for part of the course grade, and the participation score will be assessed based on a combination of factors that will include participation in the in-class exercises, comments, questions, and responses to questions, responding thoughtfully and constructively to the contributions made by other class members, and other factors.

Course Plan

6/3	Chapter 1 / Introduction to Financial Management
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6/4	Chapter 2 / Financial Statements and Cash Flow
6/6	Chapter 3 / Working with Financial Statements
6/10	Chapter 4 / Time Value of Money
6/11	Chapter 5 / Discounted Cash Flow Valuation
6/13	No class
6/17	Chapter 6 / Interest Rates and Bond Valuation & Chapter 7 / Equity Markets and Stock Valuation
6/18	Chapter 8 / Net Present Value and Other Investment Criteria
6/20	Chapter 9 / Making Capital Investment Decisions
6/24	Chapter 10 / Some Lessons from Capital Market History
6/25	Chapter 11 / Risk and Return
6/27	Chapter 12 / Cost of Capital
7/1	Chapter 13 / Leverage and Capital Structure
7/2	Review
7/4	No class
7/5	FINAL EXAM

Note: Schedule is preliminary and subject to change.

Evaluation and Grading

We anticipate that the course grade will be based on the elements and weights below:

<u>Class Element</u>	<u>Grade Percentage</u>
Class participation and attendance	20%
Homework	30%
Final exam	50%

The sense in which the weights described above will operate is as follows: performance in each dimension will be assigned a “Z-score”, which will be calculated as the difference between the student’s performance in that subject and the class mean, divided by the standard deviation. For example, performance by a student that is one standard deviation above the mean would get a Z-score of 1.

Performance that is at the mean would get a Z-score of 0. If the mean midterm score is 50 out of 100, and the standard deviation is 10, then a raw score of 55 would convert to a Z-score of $0.5 = (55-50)/10$. The rationale for using these Z-scores is to try to ensure that each element of the course has an influence on the final grade that is approximately in line with its intended weight. It is also worth remembering that raw number performance on any element (50, 60, 100,000, and so forth) is irrelevant. The standardized Z-score determines the influence of a component on the final grade.

The final exam will be a 3-hour exam. It is comprehensive and cumulative. You cannot skip the final exam – if

you do you will get zero for the final – the weight from the final will not be moved to the other components.

Important Policies and Resources

Academic Integrity

Every member of the University community is expected to maintain the highest standards of academic integrity. A student shall not submit work that is falsified or is not the result of the student's own effort. Infringement of academic integrity by a student subjects that student to serious penalties, which may include failure on the assignment, failure in the course, suspension from the University or other sanctions. Please consult [Brandeis University Rights and Responsibilities](#) for all policies and procedures related to academic integrity. Students may be required to submit work via TurnItIn.com or similar software to verify originality. A student who is in doubt regarding standards of academic integrity as they apply to a specific course or assignment should consult the faculty member responsible for that course or assignment before submitting the work. Allegations of alleged academic dishonesty will be forwarded to the Department of Student Rights and Community Standards. Citation and research assistance can be found at [Brandeis Library Guides - Citing Sources](#).

Classroom Health and Safety

- Register for the [Brandeis Emergency Notification System](#). Students who receive an emergency notification while attending class should notify their instructor immediately. In the case of a life- threatening emergency, call 911. As a precaution, review [this active shooter information sheet](#).
- Brandeis provides [this shuttle service](#) for traveling across campus or to downtown Waltham, Cambridge and Boston.
- On the Brandeis campus, all students, faculty, staff and guests are required to observe the university's policies on physical distancing and mask-wearing to support the health and safety of all classroom participants. Face coverings must be worn by all students and instructors in classes with in-person meetings. Students and faculty must also maintain the appropriate 6 feet of physical distance from one another when entering, exiting, or being in the classroom and continue to sit in seats assigned by the professor to assist the university in its contact-tracing efforts. All faculty and students must also clean their work areas before and after each class session, using the sanitizing wipes provided by the University. (Classrooms will also be professionally cleaned by Brandeis custodial staff multiple times per day.) Review up to date [COVID-related health and safety policies](#) regularly.

Course Materials/Books/Apps/Equipment

If you are having difficulty purchasing course materials, please make an appointment with your Student Financial Services or Academic Services advisor to discuss possible funding options, including vouchers for purchases made at the Brandeis Bookstore.

LATTE

[LATTE](#) is the Brandeis learning management system. Login using your UNET ID and password. For LATTE help, contact Library@brandeis.edu.

Library

[The Brandeis Library](#) collections and staff offer resources and services to support Brandeis students, faculty and staff. Librarians and Specialists from Research & Instructional Services, Public Services, Archives & Special Collections, Sound & Image Media Studios, MakerLab, AutomationLab, and Digital Scholarship Lab are available to help you through consultations and workshops.

Privacy

To protect your privacy in any case where this course involves online student work outside of Brandeis password-protected spaces, you may choose to use a pseudonym/alias. You must share the pseudonym/ alias with me and any teaching assistants as needed. Alternatively, with prior consultation, you may submit such work directly to me.

Student Support

Brandeis University is committed to supporting all our students so they can thrive. If a student, faculty, or staff member wants to learn more about support resources, the [Support at Brandeis](#) webpage offers a comprehensive list that includes these staff colleagues you can consult, along with other support resources:

- The [Care Team](#)
- [Academic Services](#) (undergraduate)
- [Graduate Student Affairs](#)
- Directors of Graduate Studies in each department, School of Arts & Sciences
- Program Administrators for the Heller School and International Business School
- [University Ombuds](#)
- [Office of Equal Opportunity](#).