FINC 6532-FINANCE
Expanded Course Outline
Carrollton, Thursdays 7:00-9:30 PM
Spring 2012

Professor: Charles Hodges
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Office Hours: Tu, W: 2:00-5:30 PM
Th: 4:00-7:00 PM
also, by appointment (I am in the
office most days; feel free to “drop-in.”)

The policy of the University of West Georgia is that each student is responsible for checking his/her
my.westga.edu email account on a regular basis.

I. Catalog Description:
A study of the major financial tools and techniques through problem solving and case studies.

II. Required Background or Experience:
A. Prerequisite: FINC 3511
B. Prerequisite Justification:
   Basic knowledge of finance and present is value needed in order to work with security
   valuation, risk/return trade off, capital budgeting analysis, financial data, security markets,
   financial instruments, and cost of capital analysis.
C. General Education (Core) Contribution:
The course uses the writing skills developed in English courses, oral skills developed in
speech courses, mathematical methods and critical thinking acquired in mathematics courses. In
addition, the course uses basic accounting knowledge gained in ACCT 2101, 2102, legal
knowledge from BUSA 2106, and familiarity with a spreadsheet program.

III. Expected Outcomes and Course Learning Objective
A. Improve communication effectiveness in oral and written presentations--LG 1.
B. Apply quantitative skills to business problems—LG 5.
C. Have an understanding of political, legal, and ethical considerations that affect the economic
   environment and decision making in corporations--LG 4, 5.
D. Develop the ability to read financial statements and financial information—LG 5.
E. Expand mastery of spreadsheet and word processing skill- LG 5.
F. Understand in detail financial principals, institutions, and management in corporate
   activities--LG 5.

Specific Course Learning Objective: Students comprehend and apply accounting information to
evaluate financial performance, value financial securities, value the firm, and make value
enhancement decisions.

IV. Text and References:
TEXT - Michael Ehrhardt and Eugene Brigham, Corporate Finance: A Focused Approach, 4th
edition, South-Western Cengage Learning. Textbook decision made by instructor.
V. **Special or Unique Student Material:**
A financial calculator with a “cash flow” button is needed. Examples: HP 10B, TI BAII Plus, TI 83 (mildly preferred).

VI. **Special or Unique University Facilities:**
Access to a personal computer with spreadsheet and word processing programs as provided by the student lab. [http://www.westga.edu/~chodges/html/finc_6532.html](http://www.westga.edu/~chodges/html/finc_6532.html) is the location of the course Webpage. CourseDen will be used to distribute information and administer quizzes.

VII. **Expanded Description of the Course and Instructional Method:**
A. **Expanded Description of the Course:**
The course provides a conceptual framework within which key financial decisions and risks relating to corporations are analyzed. This analysis considers shareholder wealth maximization, the firm’s relationship to its environment, interpretation of accounting data, use of present value analysis and capital budgeting, financial risk management, capital acquisition analysis, capital structure decision, valuation of financial instruments, identification and valuation of real and financial options.

B. **Instructional Methods:**
1. **Lecture and Problem Solving:**
Topics are discussed via lectures, problem solving, and student generated topics. During lectures, students contribute through their comments and their evaluation of analytical problems. Classes will typically be devoted to analytical problem solving and student generated discussions, while conceptual lectures will be delivered via streaming video. Students may view the conceptual lectures in either a group or individual setting.

2. **Group Research Project:**
Each group is responsible for conducting a financial research project. The research project develops a model to predict some critical financial variable. The written paper should be structured in a manner similar to academic journal articles. The grade for the project will be a combination of group grade (assigned by instructor) and peer grade (assigned by fellow group members). The project description is attached to the syllabus.

3. **Quizzes:**
CourseDen based quizzes are used as a substitute for homework questions and problems. A quiz is created for each chapter covered in the course. These quizzes are diagnostic in nature, in that their purpose is to allow students to determine areas needing further study. As multiple attempts are allowed on each quiz, and only the highest grade for each quiz is used in calculating quiz grades, it is anticipated that most students will average close to 100 on the quizzes.

VIII. **Methods of Evaluating the Outcomes:**
A. **Evaluation Tools:**
   - Group Research Project: 20%
   - Quizzes: 30%
   - Midterm exam: 20%
   - Final Exam: 30%
There is no extra credit in this course. Work submitted for credit in other courses will not be accepted for credit in this course.

B. Learning Domains:

<table>
<thead>
<tr>
<th>IX. Tentative Schedule</th>
<th>Chapter(s)</th>
<th>Topic</th>
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</thead>
<tbody>
<tr>
<td>Week:</td>
<td>Chapter(s)</td>
<td>Topic</td>
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<tr>
<td>January 12</td>
<td>Syllabus</td>
<td>Course Introduction</td>
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<tr>
<td></td>
<td>Chapter 1</td>
<td>Overview of Financial Management</td>
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<tr>
<td>January 19</td>
<td>Chapter 2</td>
<td>Review of Financial Statements</td>
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<td>January 26</td>
<td>Chapter 3</td>
<td>Financial Analysis and Financial Planning</td>
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<td>February 2</td>
<td>Chapter 4</td>
<td>Time Value of Money Intro, Bring Financial Calculator</td>
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<tr>
<td>February 9</td>
<td>Chapter 4</td>
<td>More Time Value of Money</td>
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<td>February 16</td>
<td>Chapter 5</td>
<td>Bonds, Bond Valuation, and Interest Rates</td>
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<td>February 23</td>
<td>Chapter 6</td>
<td>Risk, Return, and the Capital Asset Pricing Model</td>
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<td>March 1</td>
<td>Exam 1 over chapters 1, 2, 3, 4, 5, and 6 (120 minutes), Exam 1 Review</td>
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<tr>
<td>March 8</td>
<td>Chapter 7</td>
<td>Stocks, Stock Valuation, and Stock Market Equilibrium</td>
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<td>March 15</td>
<td>Chapter 8</td>
<td>Financial Options, and Applications in Corporate Finance</td>
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<td>March 29</td>
<td>Chapter 9</td>
<td>Cost of Capital</td>
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<td>April 5</td>
<td>Chapter 10</td>
<td>Capital Budgeting Basics</td>
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<td>April 12</td>
<td>Chapter 11</td>
<td>Capital Budgeting Cash Flows and Risk Analysis</td>
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<td>April 19</td>
<td>Chapter 15</td>
<td>Capital Structure</td>
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<td></td>
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<td>Exam Preparation, Project Due</td>
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<td><strong>Final Exam:</strong></td>
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<td><strong>April 26, Thursday, 8:00-10:30 PM</strong></td>
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NOTE 1: The last day to withdraw with a grade of W is March 2, 2012.
NOTE 2: This course covers the following AACSB perspectives:
- Influence of legal and regulatory issues
- Written communication
- Social issues
- Ethical issues
NOTE 3: This course covers the following teaching objectives:
- Developing written communication skills
- Develops analytical/critical thinking
- Encourages social responsibility