FINA 363: Introduction to Finance  
Spring 2015 Course Syllabus

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Sect 4: 2:50pm-4:05pm, TR, 134  
Office Hours: TR 1pm-2:30pm

Course Description
The objective of this course is to equip students with a working knowledge of the major decision-making tools required for both financial managers and investors. The perspectives presented here cover both theoretical and practical issues. We will discuss the principles used in valuation of individual projects, the concepts of measuring risk, the role of a firm’s capital structure, and a general overview of the financial landscape. Ultimately, the tools developed in this course should help you decide which investments firms (or individuals) should undertake and how they should be financed.

Required Resources
**eText:** Corporate Finance Online, Eakins & McNally, Pearson  
Instructions for access are on Blackboard. Access codes are available directly through Pearson or through the University Bookstore. This eText includes MyFinanceLab.com, which we will use extensively.

**Calculator:** I recommend a scientific or graphing calculator, as opposed to a financial calculator. All exam questions will be solvable with a graphing or scientific calculator.

**TopHat:** I will regularly ask questions in class. Your participation in these can add up to 5% to your final course grade. See note for more information.

Highly Recommended Reading
Barbarians at the Gate, Burrough and Helyar  
Liar’s Poker, Moneyball, The Big Short, and Flash Boys, Michael Lewis  
Fooled by Randomness, Nassim Nicholas Taleb  
When Genius Failed, Roger Lowenstein  
Against the Gods: The Remarkable Story of Risk, Peter L. Bernstein  
Blink, Malcolm Gladwell  
Thinking, Fast and Slow, Daniel Kahneman

Evaluation
Homework 20%  
Exam 1 25%  
Exam 2 25%  
Final Exam 30%

Grade Scale
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<thead>
<tr>
<th></th>
<th>A</th>
<th>B+</th>
<th>B</th>
<th>C+</th>
<th>C</th>
<th>D</th>
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<tr>
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<td>90-100</td>
<td>88-89</td>
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<td>78-79</td>
<td>70-77</td>
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### Tentative Schedule for FINA 363 Spring 2015*

<table>
<thead>
<tr>
<th>DATE</th>
<th>SUBJECT</th>
<th>RELATED READING</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEEK 1 (1/13, 1/15)</td>
<td>Intro, Value</td>
<td>CFO Chapter 1</td>
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<tr>
<td>WEEK 2 (1/20, 1/22)</td>
<td>Value</td>
<td>CFO Chapter 3</td>
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<tr>
<td>WEEK 3 (1/27, 1/29)</td>
<td>Value</td>
<td>CFO Chapter 3, 4</td>
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<tr>
<td>WEEK 4 (2/3, 2/5)</td>
<td>Project Analysis, Capital Budgeting</td>
<td>CFO Chapter 4, 9</td>
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<tr>
<td>WEEK 5 (2/10, 2/12)</td>
<td>Capital Budgeting, EXAM 1</td>
<td>CFO Chapter 9</td>
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<tr>
<td>WEEK 6 (2/17, 2/19)</td>
<td>Risk &amp; Return</td>
<td>CFO Chapter 5</td>
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<td>WEEK 7 (2/24, 2/26)</td>
<td>Risk &amp; Return, Portfolio Theory</td>
<td>CFO Chapter 5, 6</td>
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<tr>
<td>WEEK 8 (3/3, 3/5)</td>
<td>Portfolio Theory, CAPM</td>
<td>CFO Chapter 6</td>
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<td>WEEK 9 (3/10, 3/12)**</td>
<td>Spring Break</td>
<td>CFO Chapter 11</td>
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<tr>
<td>WEEK 10 (3/17, 3/19)</td>
<td>CAPM, WACC</td>
<td>CFO Chapter 12</td>
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<td>WEEK 11 (3/24, 3/26)</td>
<td>Capital Structure, EXAM 2</td>
<td>CFO Chapter 7</td>
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<td>WEEK 12 (3/31, 4/2)</td>
<td>Debt Markets, Bonds</td>
<td>CFO Chapter 8</td>
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<td>WEEK 13 (4/7, 4/9)</td>
<td>Equity Markets, Stock Valuation</td>
<td>CFO Chapter 13</td>
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<td>WEEK 14 (4/14, 4/16)</td>
<td>Distributions, Options</td>
<td>CFO Chapter 16</td>
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<td>WEEK 15 (4/21, 4/23)</td>
<td>Futures, International Finance</td>
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<tr>
<td>FINALS WEEK</td>
<td>FINAL EXAM</td>
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*(subject to change, see Blackboard to up-to-date version)

**No class during Spring Break (3/8-3/15)

Exam 1 will be held 2/12
Exam 2 will be held 3/26
Final Exam will be cumulative and held on the scheduled Final Exam date.

### University of South Carolina Honor Code

It is the responsibility of every student at the University of South Carolina Columbia to adhere steadfastly to truthfulness and to avoid dishonesty, fraud, or deceit of any type in connection with any academic program. Any student who violates this Honor Code or who knowingly assists another to violate this Honor Code shall be subject to discipline. The Honor Code is intended to prohibit all forms of academic dishonesty and should be interpreted broadly to carry out that purpose. The following examples illustrate conduct that violates this Honor Code, but this list is not intended to be an exhaustive compilation of conduct prohibited by the Honor Code:

1. Giving or receiving unauthorized assistance, or attempting to give or receive such assistance, in connection with the performance of any academic work.
2. Unauthorized use of materials or information of any type or the unauthorized use of any electronic or mechanical device in connection with the completion of any academic work.
3. Access to the contents of any test or examination or the purchase, sale, or theft of any test or examination prior to its administration.
4. Use of another person’s work or ideas without proper acknowledgement of source.
5. Intentional misrepresentation by word or action of any situation of fact, or intentional omission of material fact, so as to mislead any person in connection with any academic
work (including, without limitation, the scheduling, completion, performance, or submission of any such work).

6. Offering or giving any favor or thing of value for the purpose of influencing improperly a grade or other evaluation of a student in an academic program.

7. Conduct intended to interfere with an instructor’s ability to evaluate accurately a student’s competency or performance in an academic program.

Whenever a student is uncertain as to whether conduct would violate this Honor Code, it is the responsibility of the student to seek clarification from the appropriate faculty member or instructor of record prior to engaging in such conduct.

**Darla Moore School of Business**
**Code of Student Conduct for Undergraduate Students**

The Darla Moore School of Business is recognized globally for educating students who are prepared to become responsible business and civic leaders. An effective learning environment where students and faculty value integrity, professionalism and diligence is foundational to this mission.

Consistent with these values, the Student Leadership Council and the faculty of the Darla Moore School of Business expect students to:

- Spend a minimum of two hours outside of class studying for each hour of classroom time;
- Exhibit classroom behavior that is respectful of faculty and fellow students;
- Refrain from the use of phones and other electronic equipment during class, unless permitted by the instructor;
- Arrive at class on time, actively participate in class, and not leave class early;
- Keep up with assigned readings and complete assignments on time;
- Contribute fully to team assignments;
- Respect the university’s staff and be responsible stewards of its facilities; and
- Abide by the University of South Carolina Honor Code.

Approved by the Undergraduate Student Leadership Council and the Faculty of the Darla Moore School of Business

**Accommodating Disabilities**

Reasonable accommodations are available for students with a documented disability. If you have a disability and may need accommodations to fully participate in this class, contact the Office of Student Disability Services: 777-6142, TDD 777-6744, email sasds@mailbox.sc.edu, or stop by LeConte College Room 112A. All accommodations must be approved through the Office of Student Disability Services.
Career Expo
Please keep in mind that the Moore School’s Career Expo will be held on Wednesday, February 4 (from 12pm to 4pm on the 1st Floor of DMSB). This is an important event for any student searching for a full-time position or an internship.

MyFinanceLab and Blackboard
You are expected to check MyFinanceLab.com and Blackboard daily. Any and all announcements and assigned readings will be posted there. There may be changes to the syllabus, so please check Blackboard for the most up-to-date version.

Homework
Homework will be assigned regularly through MyFinanceLab.com. You are allowed, and encouraged, to work together in a study group on these problems, although every student must submit their own answers. Keep in mind that some of the homework is algorithmic, so students may encounter different questions (same question with different numbers). Some problems will be similar to questions taken from class, designed to prepare you for the exam. Others will be designed to familiarize you with the wonders of Excel and increase your understanding of the material.

Lecture Notes
The material covered in class will constitute nearly all of the material to be covered on exams. Any slides that I use will be posted, but lecture notes will not. If you miss class, please get the notes from a friend or study group partner.

Readings
I will periodically post additional readings on Blackboard. Mostly they will be links to recent news articles related to class material. You are expected to read these. Material from these readings will show up on the exams. The purpose of this is to make you conversant in current business news, and to demonstrate the applicability of course material to the real world.

Exams
Obviously, you are expected to take each exam. Exams will be held in class and at the final exam scheduled date. There are no make-up exams, except in extreme circumstances. Should, for whatever reason, you miss Exam 1 or Exam 2, those points will be allocated to the cumulative Final Exam.

For each exam, you are permitted to fill out an 8.5x11 sheet of paper with whatever information you’ve deemed relevant. Your information sheet, the exam itself, No. 2 pencils, a Scantron, and a calculator are the only things permitted during the exam. There is absolutely no sharing of information sheets, calculators, or other resources during the exam. Cell phones may not be used as calculators. Any violation of this format will result in a grade of 0 for all involved parties on the exam, and will be considered a violation of the Honor Code.

Extra Credit: TopHat
I will regularly ask TopHat questions in class for extra credit. Your participation in answering these questions can only help your final grade. You’ll get 1 point for an incorrect answer and 2
points for a correct answer. At the end of the semester, I’ll divide your point total by the total possible points (total points possible = 2points * number of questions). If you answer every question and get every question correct, you’ll add 5% to your grade. If you answer every question and get every question incorrect you’ll add 2.5% to your final grade. If you answer 0 questions, you’ll add no points to your grade, but it will not detract from your grade.

**Peer Tutors**
You are more than welcome to stop by my office hours (1-2:30pm T/Th), or email me to schedule an appointment if those hours don’t work for you. But in addition to my office hours, peer tutors will be available as an additional resource. I have selected former students from FINA363 to make themselves available for 10 hours per week each week during the semester. Their schedule will be made available through MyFinanceLab.com and Blackboard.