

Business 106 (Econ 134) Online Introduction to Financial Management

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Office Hours (via Zoom or just drop by if you're around): Wed. 10:30am – 12pm

Quarter: Spring 2020

Lecture time: Online

Classroom: Online

Course Website: <http://ilearn.ucr.edu/>

Teaching Assistant: Wei Zhao (wei.zhao001@email.ucr.edu). Discussions will be online and posted on the course iLearn (Blackboard) page. Discussion Sessions and TA office hours will be conducted via Zoom. The link to access the Zoom sessions is on iLearn (Blackboard) in the “Weekly Office Hours” folder.

School of Business:

Vision

We pursue excellence in all that we do, as our vision is to be an internationally recognized leader in business education and research.

Mission

We create knowledge through impactful research, unlock potential through exceptional educational experiences, and foster success in an innovative and collaborative environment.

Strategy

We pursue excellence in all we do by cultivating our **environment**, **engaging** our community and **empowering** our stakeholders. The School of Business at the University of California Riverside engages in drive for excellence by relying on the pillars of Environment, Engagement and Empowerment. Our ongoing focus on scholarship in discovery, practice, and integration drives us to reach for the highest levels. We pursue Excellence by building our Environment, maximizing Engagement, and motivating Empowerment in all we do.

Undergraduate Program – Learning Goals

Problem Solving Skills

Students will be able to use a variety of theoretical perspectives to identify and critically evaluate implications of business decisions for organizational stakeholders (e.g., customers, colleagues, employees, stockholders, suppliers, foreign governments, communities, cultures, regulatory agencies) and the natural environment.

Professional Integrity / Ethical Reasoning Skills

Students will be able to recognize ethical issues, demonstrate familiarity with alternative frameworks for ethical reasoning, and discern trade-offs and implications of employing different ethical frames of reference when making business decisions.

Global Context Skills

Students will be conversant with major economic, social, political, and technological trends and conditions influencing foreign investment and development of the global economy and demonstrate an understanding of the cultural, interpersonal and analytical competencies required for engaging in global business activities.

Written Communication Skills

Students will demonstrate proficiency in written communications by creating written documents that are clearly written, with appropriate content and conclusions.

Course description

This course provides an introduction to Financial Management. Topics covered throughout the term include a quick review of financial statements, time value of money, net present value analysis, security valuation, portfolio theory, asset pricing models, capital budgeting decisions, capital structure decisions, sources of financing for a firm, and dividend policy.

Course/Learning objective

This course is designed to give business students an overview of the role of financial management in business firms and to facilitate understanding of financial concepts and their applications. It is also intended to develop some proficiency in the use of the basic tools and techniques employed in financial analysis, traditional as well as newer concepts. It is, therefore, to help students understand why corporate financial managers behave the way they do. This course provides a foundation in theories of finance.

Prerequisites

BUS 020 (Financial Accounting and Reporting); ECON 101 (Statistics for Economics) or STAT 048 (Statistics for Business); ECON 102 (Intermediate Microeconomics) or ECON 104A (Intermediate Microeconomic Theory). This course may be taken concurrently with BUS 132 (Foundations of Finance).

Course Materials

The textbook for this course is *Fundamentals of Corporate Finance*, 10th ed., by Brealey et al. McGraw-Hill Irwin Publishers. The required e-materials for the course include the Smartbook®, Learnsmart®, videos, interactives, etc. These materials

can be purchased by following these steps:

- Sign into iLearn.
- Go to your Business 106 Course.
- Go to the “Tools” menu.
- Click on the McGraw-Hill Education” link.
- Below “My Connect Section,” click “Go to My Connect Section.”
- Follow the on-screen instructions to register.
- This is an online course, so we will do the Homework Problem Sets through McGraw-Hill Connect, which is the online platform for the Textbook.

- The use of a financial calculator will be quite helpful in the course. I am quite familiar with the Texas Instruments BA II Plus, so this is the calculator that I recommend. You can purchase it for about \$29 or rent on from the UCR Library.

- We will rely on iLearn (Blackboard) quite a bit more than we would in an “on-ground” course. If you need any extra help navigating through iLearn, here’s a great site to help with Blackboard technical support...
<https://help.blackboard.com/Learn/Student>

Grading Policy

A. Problem Sets	15%
B. Exam 1	25%
C. Exam 2	25%
D. Exam 3	<u>35%</u>
Total	100%

A. Problem Sets:

There will be three assigned Problem Sets (homework assignments). Each Problem Set will contain problems from the Chapters that will be tested on the upcoming exam. Problem Sets will be due via Connect by 11:59pm on the due date. Make sure to start working on the Problem Sets as soon as they are posted, so that you don’t “wait until the last minute” to get started. The Problem Sets are an excellent way to practice/study for the exams. Also, you don’t have to complete your Problem Set all at once, but make sure you click the “save” button, so that you don’t lose your work. When you are ready to turn in the Problem Set, don’t forget to click the

“submit” button. I will post a Connect “Practice Quiz” in Week 2. This practice quiz will be a great way to review Chapter 1, as well as acclimate you to the Connect online platform.

B. C. D. Exams (3 Exams total):

Exams will consist of multiple choice questions and problems, as well as short-answer questions and problems. Multiple choice questions and problems will be graded by the computer; however, short-answer questions and problems will be graded by the TAs or the instructor. Exam 1 will cover all material presented prior to the exam date. Exam 2 will cover material presented after Exam 1 and Exam 3 will cover material presented after Exam 2. The Exams will not be entirely cumulative; however, the course material is cumulative by nature, and many chapters build upon previous material. Exams will be taken online and students will be required to register with ProctorU, an online exam proctoring service. ProctorU charges a small fee for each exam; however, it is the best way to maintain integrity in an online course. Proctoring services for students with disabilities will be provided by SDRC offices at the student’s respective campus. I will provide more information about exam accommodations and ProctorU in a separate Announcement.

Tentative Course Schedule (Please see the Business 106: Week by Week” page on iLearn for more detailed information regarding the Schedule and the Chapter Lectures). Each Chapter contains pre-recorded lectures that cover the chapter material, short quizzes that review the chapter material, and questions to reinforce the concepts throughout the chapters. Each video is approximately 10-15 minutes long and each chapter consists of 4 to 8 videos. However, students are expected to pause the videos when solving problems presented in the lectures.

Date	Topic (Please See iLearn for more detail on the Course Lectures and Topics)
W1	Chapter 1: Goals and Governance of the Corporation Chapter 2: Financial Markets and Institutions
W2	Chapter 3: Accounting and Finance
W3	Chapter 5: Time Value of Money
W4	Chapter 6: Valuing Bonds Exam 1: This Exam will cover Chapters 1, 2, 3, 5, and 6
W5	Chapter 7: Valuing Stocks
W6	Chapter 8: Net Present Value and Other Investment Criteria
W7	Chapter 11: Introduction to Risk, Return, and the Cost of Capital Exam 2: This Exam will cover Chapters 7, 8, and 11
W8	Chapter 12: Risk, Return, and Capital Budgeting
W9	Chapter 13: The Weighted Average Cost of Capital and Company Valuation
W10	Chapter 16: Debt Policy (Capital Structure)
Finals	Exam 3: This Exam will cover Chapters 12, 13, and 16

Integrity Statement:

At the University of California, Riverside, honesty and integrity are fundamental values that guide and inform us as individuals and as a community. The academic culture requires that each student take responsibility for learning and for producing work that reflect their intellectual potential, curiosity, and capability. Students must represent themselves truthfully, claim only work that is their own, acknowledge their use of others' words, research results, and ideas, using the methods accepted by the appropriate academic disciplines and engage honestly in all academic assignments. Misunderstanding of the appropriate academic conduct will not be accepted as an excuse for academic misconduct. If a student is in doubt about appropriate academic conduct in a particular situation, he or she should consult with the instructor in the course to avoid the serious charge of academic misconduct.

To ensure the highest standard of academic integrity, all students should be familiar with the guidelines posted at:

<http://conduct.ucr.edu/docs/generalconductbrochure.pdf>