Meeting Times

Spring 1, 2020, Thursday, 6:00pm – 10:00pm @ Cross-listed locations

January 4 to March 5, 2021

Class will meet via Zoom - the link will be posted in WorldClassroom

Contact Information

Leon W. Hutton, DBA, MBA, CPA, CGFM, SPHR

Hutton@Webster.edu  Leon.Hutton@cox.net  703-447-6971

Description

The student examines the general nature of financial management, the American financial system, taxes, and the major financial decisions of corporations. Specific attention is given to present value and capital budgeting; risk and asset pricing; financial analysis and forecasting; financial decisions and market efficiency; and capital structure. Problem-solving methodology is used to illustrate the theories and tools in financial decision-making.

Requisites

BUSN 5600 and BUSN 5760 (BUSN 5200 cannot be substituted for FINC 5000)

Outcomes

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Expectation</th>
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</thead>
<tbody>
<tr>
<td>1. Students can determine the value of fixed income securities</td>
<td>Students can use equations and financial calculators to solve for all variables within the bond pricing equation.</td>
</tr>
<tr>
<td>2. Students can determine the value of equity securities</td>
<td>Students can compute the value of equity using the Gordon Growth Model.</td>
</tr>
<tr>
<td>3. Students can discuss market functioning and the role efficient</td>
<td>Students can identify the three levels of market efficiency, and are able to distinguish between the three when presented with a scenario.</td>
</tr>
<tr>
<td>markets play in security valuation</td>
<td></td>
</tr>
<tr>
<td>4. Students can evaluate capital budgeting decisions using standard</td>
<td>Students can employ NPV, IRR, and payback methods to analyze potential capital investments.</td>
</tr>
<tr>
<td>methodologies</td>
<td></td>
</tr>
<tr>
<td>5. Students can explain the impact of capital structure decisions on</td>
<td>Students can explain the affect of varying the firm's debt and equity levels on the weighted average cost of capital.</td>
</tr>
<tr>
<td>financial performance and the cost of capital</td>
<td></td>
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<tr>
<td>6. Students can identify agency problems within a corporation and</td>
<td>Students can explain the conflicts of interest that exist between shareholders and managers in firms with less than 100% ownership by the manager of the firm. They can discuss methods used by corporations (profit sharing, employee stock options, takeovers, etc.) to align manager and shareholder interests.</td>
</tr>
<tr>
<td>formulate strategies to address them</td>
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</tbody>
</table>
7. Students can evaluate credit and interest rate risk. Students can explain the impact of interest rate risk on risk premiums. They can discuss factors which increase interest rate risk.

8. Students can utilize financial analysis to assess an organization's financial condition. Students can compute ratios from the information on financial statements. The ratios are in the categories of liquidity, profitability, market valuation, and efficiency. Students can apply the DuPont Model.

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### Required Textbook

**Financial Management: Theory and Practice**

- **Author:** Brigham
- **Publisher:** ITP
- **Edition:** 16th
- **ISBN:** 978-1337902601

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### Materials


Start here - follow drop down menus

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### Deliverables

- Weekly Homework
- Mid Term Exam
- Final Exam
- Financial Analysis of a Publicly Traded Company

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### Evaluation

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Homework</td>
<td>5%</td>
</tr>
<tr>
<td>Mid Term Exam</td>
<td>30%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>35%</td>
</tr>
<tr>
<td>Graded Project</td>
<td>30%</td>
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</tbody>
</table>

100%

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### Schedule
## Weekly Schedule

<table>
<thead>
<tr>
<th>Session</th>
<th>1st Week</th>
<th>Jan 7</th>
<th>Pre-Assignment for Week 1:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Obtain the textbook, <strong>read</strong> chapters 1, 2, and 3.</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Session</th>
<th>2nd Week</th>
<th>Jan 14</th>
<th>Pre-Assignment for Week 2:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Session</th>
<th>3rd Week</th>
<th>Jan 21</th>
<th>Pre-Assignment for Week 3:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Chapter 4, Time Value of Money, Chapter 5, Bonds, Bond Valuation and Interest Rates.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Session</th>
<th>4th Week</th>
<th>Jan 28</th>
<th>Pre-Assignment for Week 4:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Chapter 6, Risk &amp; Return and the Capital Asset Pricing Model; Chapter 7, Corporate Valuation and Stock Valuation.</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Session</th>
<th>5th Week</th>
<th>Feb 4</th>
<th>Pre-Assignment for Week 5:</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Mid Term Exam, Chapters 1 – 7.</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Session</th>
<th>6th Week</th>
<th>Feb 11</th>
<th>Pre-Assignment for Week 6:</th>
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<tbody>
<tr>
<td></td>
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<td></td>
<td>Chapter 8, Financial Options and Applications in Corporate Finance; Chapter 9, The Cost of Capital.</td>
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</table>

<table>
<thead>
<tr>
<th>Session</th>
<th>7th Week</th>
<th>Feb 18</th>
<th>Pre-Assignment for Week 7:</th>
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</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td>Chapter 10, The Basics of Capital Budgeting: Evaluating Cash Flows; Chapter 11, Cash Flow Estimation and Risk Analysis. <strong>Project Presentations</strong></td>
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</tbody>
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<table>
<thead>
<tr>
<th>Session</th>
<th>8th Week</th>
<th>Feb 25</th>
<th>Pre-Assignment for Week 8:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td>Chapter 12, Corporate Valuation and Corporate Planning. <strong>Project Presentations</strong></td>
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</tbody>
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<tr>
<th>Session</th>
<th>9th Week</th>
<th>March 4</th>
<th>Pre-Assignment for Week 9:</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Final Exam, Chapters 1 - 12.</strong> <strong>ONLINE EVALUATION:</strong> <a href="https://evaluation.webster.edu">https://evaluation.webster.edu</a> - available weeks 8 &amp; 9, posted in WorldClassroom as well</td>
</tr>
</tbody>
</table>

## Course Policies

For each subject area covered, you will be asked to answer a set of Review Questions and Problems based on that material. These questions and problems will be very similar to those you might encounter on an exam. Please label all work and solutions clearly.

*Please silence all cell phones during class (set to vibrate for emergency calls is acceptable). Even while meeting remotely a ringing phone can be distracting.*

## Institutional Policies

### Academic Policies

Academic policies provide students with important rights and responsibilities. Students are expected to familiarize themselves with all academic policies that apply to them. Academic policies for undergraduate students can be found in the Undergraduate Studies Catalog; graduate students should review the Graduate Studies Catalog.

[Undergraduate Studies Catalog](https://webster.campusconcourse.com/view_syllabus?course_id=136123)
The Undergraduate Studies Catalog contains academic policies that apply to all undergraduate students. The academic policies and information section of the catalog contains important information related to attendance, conduct, academic honesty, grades, and more. If you are an undergraduate student, please review the catalog each academic year. The current Undergraduate Studies Catalog is at:

http://www.webster.edu/catalog/current/undergraduate-catalog/

Graduate Studies Catalog

The Graduate Studies Catalog contains academic policies that apply to all graduate students. The academic policies section of the catalog contains important information related to conduct, academic honesty, grades, and more. If you are a graduate student, please review the catalog each academic year. The current Graduate Studies Catalog is at:

http://www.webster.edu/catalog/current/graduate-catalog/

Grading

The Grades section of the academic catalog outlines the various grading systems courses may use, including the information about the final grade reported for this class.

Undergraduate

http://www.webster.edu/catalog/current/undergraduate-catalog/academic-policies.html#grading

Graduate

http://www.webster.edu/catalog/current/graduate-catalog/academic-policies.html#grades

Incomplete

There are important policies that govern grades of Incomplete (I), including the circumstances under which Incomplete grades are granted, deadlines for completion, and consequences should the remaining course work not be completed. It is the responsibility of a student who requests an Incomplete to ensure that he/she understands and follows the policies.

Grade Appeals

Instructors are responsible for assigning grades, and students should discuss grade issues with the instructor. Policies and procedures for appealing grades are available in the appropriate catalog.

Academic Honesty Policy

Webster University is committed to academic excellence. As part of our Statement of Ethics, we strive to preserve academic honor and integrity by repudiating all forms of academic and intellectual dishonesty, including cheating, plagiarism, and all other forms of academic dishonesty. Academic dishonesty is unacceptable and is subject to a disciplinary response. Students are encouraged to talk to instructors about any questions they may have regarding how to properly credit others' work, including paraphrasing, quoting, and citation formatting.

The University's Academic Honesty Policy is published in academic catalogs:

Undergraduate

http://www.webster.edu/catalog/current/undergraduate-catalog/academic-policies.html

Graduate

http://www.webster.edu/catalog/current/graduate-catalog/academic-policies.html

As a part of the University commitment to academic excellence, the Academic Resource Center provides student resources to become better acquainted with academic honesty and the tools to prevent plagiarism in its many forms:

http://www.webster.edu/arc/plagiarism_prevention/

Statement of Ethics

Webster University strives to be a center of academic excellence. The University makes every effort to ensure the following:

- The opportunity for students to learn and inquire freely
- The protection of intellectual freedom and the rights of professors to teach
- The advancement of knowledge through scholarly pursuits and relevant dialogue
To review Webster University's statement of ethics, see the Undergraduate Studies Catalog and the Graduate and Studies Catalog:

Undergraduate
http://www.webster.edu/catalog/current/undergraduate-catalog/overview.html#ethics

Graduate
http://www.webster.edu/catalog/current/graduate-catalog/ethics.html

Contact Hours for this Course

It is essential that all classes meet for the full instructional time as scheduled. A class cannot be shortened in length. If a class session is cancelled for any reason, the content must be covered at another time.

Important Academic Resources

Academic Accommodations

Webster University makes every effort to accommodate individuals with academic/learning, health, physical and psychological disabilities. To obtain accommodations, students must identify themselves and provide documentation from a qualified professional or agency to the appropriate campus designee or the Academic ADA Coordinator at the main campus. The Academic ADA Coordinator may be reached at 314-246-7700 or disability@webster.edu.

If you have already identified as a student with a documented disability and are entitled to classroom or testing accommodations, please inform the instructor of the accommodations you will require for this class at the beginning of the course.

Academic Resource Center

Additional support and resources may be accessed through the Academic Resource Center (ARC). Support and resources include academic counseling, accommodations, assistive technology, peer tutoring, plagiarism prevention, testing center services, and writing coaching. Visit www.webster.edu/arc or Loretto Hall 40 on the main campus for more information.

Student Success Portal

Webster University's Student Success Portal, powered by Starfish, is a communications tool to connect students with faculty members and campus support services. It allows faculty and staff members to communicate with you regarding academic achievements as well as areas where support may be helpful. You may use the portal to contact faculty and staff members for assistance and to arrange meetings. Activity in the portal will be communicated to your Webster University email account. The Student Success Portal is available via your course home page in WorldClassRoom or via Connections. Learn more about the Student Success Portal at http://www.webster.edu/success/students.html.

University Library

Webster University Library is dedicated to supporting the research needs and intellectual pursuits of students throughout the University's worldwide network. Resources include print and electronic books, journal articles, online databases, DVDs and streaming video, CDs and streaming music, datasets, and other specialized information. Services include providing materials at no cost and research help for basic questions to in-depth exploration of resources. The gateway to all of these resources and services is http://library.webster.edu. For support navigating the library's resources, see http://libanswers.webster.edu/ for the many ways to contact library staff.

Drops and Withdrawals

Drop and withdrawal policies dictate processes for students who wish to unenroll from a course. Students must take proactive steps to unenroll; informing the instructor is not sufficient, nor is failing to attend. In the early days of the term or semester, students may DROP a course with no notation on their student record. After the DROP deadline, students may WITHDRAW from a course; in the case of a WITHDRAW, a grade of W appears on the student record. After the WITHDRAW deadline, students may not unenroll from a course. Policies and a calendar of deadlines for DROP and WITHDRAW are at:

Undergraduate
http://www.webster.edu/catalog/current/undergraduate-catalog/enrollment.html

Graduate
http://www.webster.edu/catalog/current/graduate-catalog/enrollment.html
Academic Calendar - [http://www.webster.edu/academics/academic-calendar/](http://www.webster.edu/academics/academic-calendar/)

Current tuition rates, policies, and procedures, including details of pro-rated tuition refunds, are available in the "Tuition, Fees, and Refunds" section of Webster's Academic Catalogs:

**Undergraduate**

**Graduate**
[http://www.webster.edu/catalog/current/graduate-catalog/tuition.html](http://www.webster.edu/catalog/current/graduate-catalog/tuition.html)

Student Handbook and Other Important Policies

Student handbook and other non-academic policies may apply to you and may impact your experience in this class. Such policies include the student code of conduct, privacy, technology and communications, and more. Please review the handbook each year and be aware of policies that apply to you. The handbook is available at:


Sexual Assault, Harassment, and Other Sexual Offenses

Webster University makes every effort to educate the community to prevent sexual assault, harassment, and other sexual offenses from occurring, and is committed to providing support to those affected when this behavior does occur. To access information and resources or to review the Policy on Sexual Assault, Harassment, and Other Sexual Offenses, visit:

[http://www.webster.edu/sexual-misconduct/](http://www.webster.edu/sexual-misconduct/)

Research on Human Subjects

The Webster University Institutional Review Committee (IRB) is responsible for the review of all research on human subjects. The IRB process applies to all Webster University faculty, staff, and students and must be completed prior to any contact with human subjects. For more information on the IRB, visit:

[http://www.webster.edu/irb/index.html](http://www.webster.edu/irb/index.html)

Course Evaluations

At the end of this course, you will have the opportunity to provide feedback about your experience. Your input is extremely valuable to the university, your instructor, and the department that offers this course. Please provide your honest and thoughtful evaluation, as it helps the university to provide the best experience possible for all of its students.

Important Technology Information

**Connections Accounts**

Webster University provides all students, faculty, and staff with a University email account through Connections. Students are expected to activate their Connections account and regularly check incoming University email. Students may choose to have their University email forwarded to an alternate email address. Connections account holders can call the Help Desk (314-246-5995 or toll free at 1-866-435-7270) for assistance with this setup. Instructions are also provided on the Information Technology website at:

[http://www.webster.edu/technology/service-desk/](http://www.webster.edu/technology/service-desk/)

**WorldClassRoom**

WorldClassRoom is Webster's Learning Content Management System (LMS). Your instructor may use WorldClassRoom to deliver important information, to hold class activities, to communicate grades and feedback, and more. WorldClassRoom is available using your Connections ID at:

[https://worldclassroom.webster.edu/](https://worldclassroom.webster.edu/)

**Webster Alerts**

Webster Alerts is the University's preferred emergency mass notification service, available free to current students, faculty and staff at all US campuses. By registering a valid cell phone number and email address, you will receive urgent campus text, voice mail and email communications. Valuable information concerning a range of incidents affecting you - from weather-related campus closures, class
delays and cancellations, to more serious or life-threatening events - are immediately and simultaneously delivered through multiple communication channels. To register for Webster Alerts, visit:

http://www.webster.edu/technology/services/webster-alerts/ (http://www.webster.edu/technology/services/webster-alerts/)

Campus Information

Due to the Education Centers not re-opening in the DC region for this term please meet via Zoom for the Spring 1 term.

Instructors will post the meetings in WorldClassroom/Canvas for students to log in each week (added security measure). On the left side with all the hyperlinks there will be one for Zoom.

We recommend Chrome for the browser and please mute yourself when not speaking, also only you are able to unmute yourselves in Zoom. If there are many participants it also might be wise to disengage video too (or if bad weather) if low band width messages continually appear.

Host Site Information:

Joint Base Andrews NAF:
Phone (301) 420-2256
AAFt@aafb.webster.edu (mailto:aafb@webster.edu)

Additional Items

Emerson Library: library.webster.edu

There is a live chat feature - home page, contact a librarian (middle of page, middle box): Chat with a librarian on left side (might have to scroll down a bit) - accessible 24 hours a day.

The WSBT subject librarian is:

| Business & Management | Mary Anne Erwin | 800-985-4279 | maerwin@webster.edu |

Please use these excellent resources