

INSTRUCTOR: Dr. Claire Crutchley
Office: 311 Business Building Phone: 844-3002
email: crutcl@auburn.edu
web site: access through WebCT Vista Blackboard: webctvista.auburn.edu

OFFICE HOURS: M-Th 2:00-3:00, and by appointment

CLASS HOURS: TTh 9:30-10:45 033 Business Building

MATERIALS:

Required Text: *Intermediate Financial Management*, 9th edition, by Brigham & Daves

Calculator: You must have a financial calculator for the class.

Newspaper: Access to the *Wall Street Journal*. Subscribe on the web, there is a link on WebCtVista for you to sign up at the student rate.

COURSE OBJECTIVES:

This course will provide students with an understanding of the theory of Corporate Finance; apply these theories to problems, the computer and current topics. As the second course in corporate finance, it will build on what you learned in FINC 3610 and drop many of the simplifying assumptions. Specific topics included are financial analysis, project cash flows, weighted average cost of capital, capital budgeting, risk analysis, dividends, financial leverage, and working capital management.

Prerequisites: 2.2 GPA, FINC 3610 and STAT 2610

You need a good working knowledge of FINC 3610, and basic Accounting and Statistics knowledge to succeed in this class. If you did poorly (C or below) in FINC 3610, this is not the class for you. You also are expected to have a working knowledge of Excel spreadsheets.

CLASS POLICIES:

NO FOOD OR DRINKS (Except Water) ALLOWED IN CLASSROOM. Students are expected to come to class prepared every day; this means doing classwork each day and bringing a financial calculator to each class. Class discussion will include problems, concepts and articles found in the *Wall Street Journal*. Students need to be active class participants; you should be working with fellow students, asking me questions, answering my questions and working through the problems as we do them in class. If you do not understand the material, it is your responsibility to ask questions. All students need to check the web site often.

SUSTAINABILITY:

I am one of a group of faculty at Auburn University who are incorporating sustainability into their courses. In this class, I will include examples how businesses can alter their environmental impact or the environmental impact of their products. All examples will be explored using financial analysis: can companies prosper by making sustainable choices?

STUDENT EVALUATION:

Computer Assignments	100 points
WebCT/Class Assignments	100 points
Exam 1	100 points
Exams 2 & 3	400 points
Final Exam	300 points
Total Points Possible	1000 points

Your grade in the class will be determined by the number of points you have earned by the end of the course. Exams 2 & 3 will count 200 points each. Grades will be assigned as follows: A 900 points and above, B: between 800 and 900 points, C: between 700 and 800 points, D: between 600 and 700 points, F below 600 points. (Notice if you choose to do no assignments of any type, the **highest** (even with A's on all exams) grade you can earn is a C.) *I will assign the grade you earn according to the above evaluation model; if you need a certain grade in the course you need to work for it from the first day of class.*

WEBCT VISTA:

In this class you will be using Webct Vista, rather than the regular Webct. In order to access the course, you must go to the Webct Vista website: webctvista.auburn.edu (no www before the webctvista!) then click on Blackboard at Auburn University. Login with your university login and click on Advanced Business Finance. Put a link on your home

computer to the webctvista.auburn.edu website as it is difficult to find! When you first run webctvista on your computer, please go through the Browser Checker, then the Browser Tuneup to make sure your computer can handle the website. You should check the website often. Anytime new material is posted, there will be a symbol (called the “green blobby thing”) next to the section in which the new material is posted.

Syllabus Check

Before you are allowed to access any homework assignment or even take Exam 1, you must do the Syllabus check and earn a score of 10. This is to ensure you understand all class policies. Print the syllabus and notes on Webct; look over these carefully, then do the syllabus check on webctvista. Once you earn a 10 on the assignment, please print the completed syllabus check and keep all three in your notebook to follow class policies throughout the semester.

Announcements

I will post announcements for the class on the Webctvista webpage. These will often be announcements given in class; reminding you of the exam, or problem sets. However, they may also be things that come up between classes or something I forgot to mention in class. If students have a question about a problem, I might post a clarification on the announcement section. When you get on the Webctvista website, please look at the announcements to see if there is a “green blobby thing” next to the Announcement section; this indicates there is a new announcement you have not yet read.

Class Assignments

On most class days, there will be problems to work on or article to read for class with questions to answer. (Questions will be posted under the Classwork Discussion topic) You will need to work the problems (and write answers and steps to get the answers) before class. At the beginning of class, you will discuss your answers for a few minutes with another student in the class. You will be given a point for each classwork assignment, and these points will be 20% of the WebCT assignment grade (20 points towards your final grade). In order to receive points **you must be on time to class**. If you miss class due to a university excused absence, I will excuse the classwork assignment if you bring the excuse to me the following class day. If you miss class make sure you read the discussion page for the assignment for the next class and work through it so you do not miss points on the next classwork assignment!

WebCT Assignments

You will be required to do problem sets on WebCTvista approximately once every two weeks. The assignments will typically be due by 9:20 AM on a class day. You will access the assignment through WebCTvista. You can print the assignment and work on it offline then enter the answers before the due date and time. (No paper copies of homework will be accepted!) The computer will grade most assignments immediately; if you do not like your score you can do the assignment again. Because the computer does the grading, numbers must be inputted the way the computer recognizes. Refer to my **WebCT Notes** each time you do an assignment. You may work with other students on these assignments, but you will not have the exact same inputs; calculate answers based on your inputs! You will also do summaries of Wall Street Journal articles. These will be submitted on the web also, but will not be graded immediately. If you miss class and the homework due to an unexpected university excused absence, bring the excuse to me **within two days** of missing class. (I expect the excuse to say you are too ill to attend class or do homework: a dentist's appt does not qualify.) *Notice: if you plan to miss class, this is not a good class for you to take!* Late homework will not be accepted—the computer determines lateness not me. Do not do your homework at the last minute; you may experience computer problems or some problems may take longer than you expect. Also if you have questions, I am happy to help, so doing the problems early gives you time to ask for help. One problem set grade and one classwork grade will be dropped before your homework grade is calculated. You should also work problems from the back of the chapters as we go over the material in class. Answers to the textbook problems are available in my office.

Computer Assignments

There will be computer assignments throughout the semester that will require doing financial analysis on a spreadsheet program. For in class labs, you must know your university ID to use the computer lab. You can save work on your H drive or bring a 3 1/2 floppy. A good reference for computing is “Survival Guide to Computing at AU” which is available in AU labs such as Room 011; I expect you to know Excel basics; you will learn how to do Finance problems in Excel. You can earn 5 points of extra credit on your first assignment by doing the optional computer lab that will set up a grade sheet for the class. This will help you determine whether you have the basic Excel knowledge needed for the course. We will have Computer Lab for class several times during the semester. If you are not strong in Excel, access the lab early and then come to class with questions. If you are good at Excel, you can do the assignment early also. Do not skip lab and then come to see me later with questions. I am happy to help all students

who attended the lab outside of class. Most students who attend lab have no problems finishing the assignment and get most questions answered during lab.

Academic Honesty: While students may discuss the lab with others in the Computer Lab, each student must type in all formulas on their own spreadsheet. It is against academic honesty rules to copy and paste someone else's formulas or use another student's spreadsheet and modify it! Do not look at another student's spreadsheet and type exactly the same thing.

Exams

This class requires a good knowledge of the material presented in FINC 3610. **Therefore there will be a review exam based on FINC 3610, basic statistics and basic accounting in class on September 7** (worth 100 points). There will be two other midterms as shown on the calendar, each worth 200 points. The exams will consist of problems and multiple choice questions. Bring a financial calculator to each exam. Students will also be allowed to bring a 4" x 6" index card with handwritten formulas and notes on both sides (**no typing or photo copying!**) to each midterm exam. **No problems or part of problems can be on the formula card, so no numbers that are not part of formulas (1's for example are fine) should be anywhere on the card.** The best way to prepare for the exams is to be an active class participant and to do the assigned problems.

Class Absences

If you choose to miss class, that is your choice. However, there is frequent graded classwork, and you are responsible for any material or announcements covered in class. If you have a university excused absence (see Tigercub), please contact me as soon as possible. Webct will keep you updated with the course. **Exam policy:** Any student with **prior** knowledge of a university excused absence must contact me a week prior to arrange to take the exam **before** the scheduled exam time. Students who miss an exam unexpectedly for a **University Excused Absence** must contact me **within twenty-four hours of the exam**; if you miss the exam due to illness, you must be too ill to attend other classes, work or any social events. Doctor's excuses are only valid if the doctor examines you in person at the time of your illness. Students must bring me a written excuse stating the student visited a physician and was unable to attend class the day of the exam. The excuse must contain the name and phone number of the doctor's office so the excuse may be verified. (A scheduled dental appointment does not meet the criteria!) **Makeup exams will be scheduled on Friday afternoons** the week of the original exam. If you miss the makeup exam, you must have **another written excuse** stating you were too ill to take the exam that day for a University Excused Absence; contact me again stating you have a university excused absence. **There is no excuse for not contacting me; I have voice mail and email, both of which you can leave me a message at any time.** (Leave a phone number on any message so I can get back to you.)

Academic Honesty

Students must do all work themselves. Read the computer assignment rules carefully to understand the rules for honest computer assignments. I will check computer assignments to check if a spreadsheet is shared. In article summaries, do not quote articles word for word without quotation marks. See Tiger Cub for full discussion of Academic Honesty. I expect students to be honest and will prosecute any dishonesty. (Unfortunately I had to prosecute three students in the past three semesters; please don't make my life difficult!)

Final Exam

The Final Exam is comprehensive and will be Saturday December 9: 2:00-4:30 PM in Room 033. All students must take the exam at the scheduled time unless you have permission from the COB dean's office. For the final exam, students may bring an 8 ½ by 11 inch formula sheet with the same rules detailed above, front side only. Do not bring note cards to the final!

Disabilities

Students who need special accommodations must meet with me in my office **the first week** or two of class. We will discuss your responsibilities in making sure you make all arrangements at least a week prior to any needed accommodation. If you do not have an Accommodation Memo, but need special accommodation, contact the Program for Students with Disabilities in Haley Center (844-2096). **If you ask for extra time on an exam during the exam the answer will be no.** Any disability must be processed through the Program for Students with Disabilities as I am not qualified to assess your individual situation.