



**JACKSON STATE UNIVERSITY
COLLEGE OF BUSINESS**

**FIN 515 - MANAGERIAL FINANCE
(Credit, 3 hours)
SPRING 2021 – Jan 19-Mar 12, 2020 (8 Weeks)
Online (via Canvas)**

INSTRUCTOR: Dr. Akash Dania, Professor

OFFICE: Virtual (Online)

PHONE: (302) 526-0767

OFFICE HOURS: Virtual (Online) – T, W, TR (10:30 am – 1:00 pm) or by appointment

E-Mail: cobjsu@gmail.com

CLASS SCHEDULE: Online (via Canvas) – Login at: <https://jsums.instructure.com/login/ldap>

*Best way to contact me is to send an e-mail (write a callback number and contact e-mail address). I will make every attempt to reply to your call or e-mail promptly. An e-mail after the hours of 4:30 pm CST will be replied to the next day.

Course description:

A study of capital budgeting techniques, methods of determining a firm's cost of capital, valuing stocks and bonds, and international finance.

Course Objectives:

The objectives of this course are to provide you with a theoretical background useful for: evaluating capital investments, determining the cost of capital, valuing stocks and bonds, and using the time value of money concepts to make personal financial decisions.

Prerequisite:

FIN 320 or equivalent

Course outline:

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Upon the completion of this course, you should know:

- The responsibilities of management.
- Business decisions are not influenced solely by money and that social responsibility and ethical behavior are also important.
- The basics of constructing a portfolio to minimize risk exposure.
- How to use the time value of money concepts to evaluate and achieve corporate and personal financial goals.
- How to price bonds.
- How to price stocks
- How to calculate free cash flow.
- The strengths and weaknesses of various capital budgeting techniques.
- To use capital budgeting techniques to evaluate capital projects.
- The importance of diversification.
- How to calculate a firm's cost of capital.

Required Material:

i. Required Text:

Principles of Corporate Finance (13th Edition)

By Richard Brealey and Stewart Myers and Franklin Allen

ISBN-10: 1260013901

ISBN-13: 9781260013900

You are free to order from any source. Below are the links as a reference for the text and its details online:

McGraw Hill (Publisher) website:

<https://www.mheducation.com/highered/product/principles-corporate-finance-brealey-myers/M9781260013900.html>

Amazon:

https://www.amazon.com/Principles-Corporate-Finance-Richard-Brealey-ebook/dp/B07MDXGBNC/ref=sr_1_1?dchild=1&keywords=9781260013900&qid=1610387310&sr=8-1

ii. Technical Requirements for the Course:

- Students are expected to have a working laptop or a desktop (which preferably is no more than two or three years old) with speakers, webcam, and internet access to participate in the course.
- The latest versions of Modern browsers such as Chrome, Firefox, and Safari are

all good choices for working in Canvas.

Canvas and other Technical Help Note: For 24/7 assistance with Canvas (removing pop-up blockers, opening pages or quizzes, etc.) contact the Canvas Helpdesk at 1-844-358-8765 or click the Help icon inside of Canvas. For other assistance, such as class not showing on Canvas and other technical assistance contact the JSU Helpdesk at canvas@jsums.edu or 601-979-0245 between Monday-Friday from 8:00 to 5:00.

- There shall be several exercises using Microsoft Excel. Please make sure you have a computer with this program installed.
- You will also need Word Formatting software, such as Microsoft Word to work on assignments.

Microsoft Office 360 is free to all JSU students: Office 365 is available for FREE to faculty, staff, & students. Eligibility requirements, installation details, and other information is available at <https://www.jsums.edu/informationtechnology/microsoft-office-365/>

iii. Financial Calculator:

The most used one is Texas Instruments' TI BAI PLUS. The calculator must be able to do the following calculations PV (present value), FV (future value), NPV (net present value), and IRR (internal rate of return). The primary goal of using the calculator is to familiarize students with various functions. Calculators are permitted during exams.

iv. Additional Reading

In addition to the texts, an avid student of finance is expected to stay on top of current issues by following additional sources of information. Recommended sources include: The Wall Street Journal – <http://www.wsj.com>

v. Canvas Account:

- Please make sure you have a valid account for Canvas, Jackson State University, and are registered for this class.
- Complete the registration for the Canvas Online Student Orientation if this is your first distance learning course at JSU.
- For class access, login at <https://jsums.instructure.com/login/ldap>

vi. Contact e-mail:

I will use the system e-mail for group communication and announcements. Hence, make sure to check your registered e-mail at least once a day for any announcements. At the beginning of the class, I will send out a test e-mail welcoming everyone, confirm receipt of the e-mail to ensure that, (a) you are receiving my e-mail, and (b) that your e-

mail system does not recognize my e-mail as a junk e-mail.

Core Competencies

1. **Written and Oral Communications** –analyze and evaluate mini-cases.
2. **Legal, Political, and Ethical Awareness** –evaluate the impact of business and government decision-making on factors such as taxes, interest rates, financial industry regulations and performance, and shareholder information.
3. **Critical Thinking and Problem Solving** –analyze and evaluate a multitude of financial concepts, generally presented in problem format. Critical skills are covered through written tests and interactive learning experiences.
4. **Data Gathering and Interpretation** –apply appropriate formulae and arrive at appropriate responses.
5. **Global, Cultural, and Diversity Understanding**–discuss exchange rates, international interest rates, and cultural differences in conducting business, global financial markets to better understand domestic financial markets and global culture and diversity.
6. **Information Literacy and Technology** –complete homework assignments and tests online using technology. Use spreadsheets/financial calculators for financial calculations.

Special accommodation/Disability statement:

- I strongly encourage those of you with a disability that may hinder your success as I have outlined in this syllabus to seek advisement and/special accommodations/arrangements from the appropriate office or to contact me as soon as possible.
- I will make the best possible arrangement to accommodate any documented disability or need.
- Contact the Disability Services & ADA Compliance Office at <https://www.jsums.edu/disability/contact-us/>

Tentative Schedule:

The following is a tentative schedule for the class. The schedule may change as the semester progresses. The schedule marks the schedule for the assignments due.

Date	Topic Coverage	Discussion	HW	Quiz	Case Study	Other Task	Due to 4:00 p.m. CST
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1/19/2021	Discussion of Class Syllabus, Introduction	Y	Y	N	N	Download class syllabus, Obtain required textbook	1/21/2021
1/21/2021	Chapter 1 (Introduction)	Y	Y	Y	Case Study 1: To Catch a Trader	Read Chapter 1, overview recording for Chapter 1	1/26/2021
1/26/2021	Chapter 2 (How to calculate PV)	Y	Y	Y	N	Read Chapter 2, Review overview recording for Chapter 2	1/31/2021
1/31/2021	Chapter 3 (Valuing Bonds)	N	N	N	Case Study 2: The Retirement Gamble	Read Chapter 3, Review overview recording for Chapter 3	2/5/2021
2/5/2021	Chapter 4 (Valuing Common Stocks)	Y	Y	Y	N	Read Chapter 4, Review overview recording for Chapter 4	2/10/2021
2/10/2021	Mid Term Examination	N	N	N	N	Mid Term Examination (Ch 1, 2, 3 and 4)	2/12/2021
2/15/2021	Chapter 5 (Net Present Value and Other Investment Criteria)	Y	Y	Y	N	Read Chapter 5, Review overview recording for Chapter 5	2/20/2021

2/20/2021	Chapter 6 (Making Investment Decisions)	N	N	N	Case Study 3: The Pension Gamble	Read Chapter 6, Review overview recording for Chapter 6	2/25/2021
2/25/2021	Chapter 7 (Introduction to Risk and Return)	Y	Y	Y	N	Read Chapter 7, Review overview recording for Chapter 7	3/2/2021
3/2/2021	Chapter 8 (Portfolio Theory and CAPM)	Y	Y	Y	Case Study 4: The Warning	Read Chapter 8, Review overview recording for Chapter 8	3/7/2021
3/7/2021	Chapter 9 (Risk and the Cost of Capital)	Y	Y	Y	N	Read Chapter 9, Review overview recording for Chapter 9	3/12/2021
3/12/2021	Final Examination	N	N	N	N	Final Examination (Ch 5, 6, 7, 8, and 9)	3/13/2021

This schedule is at best tentative. I will try to follow the above schedule as closely as possible. As we have a lot of material to cover, it may not be possible to cover everything in the chapters listed above.

Important dates:

If you decide to drop this class, please do so following the deadline dates and University policy to do so. Do not simply assume that by not attending the class, I will assign a drop grade. At the end of the semester, I will simply average your work grade and forward the corresponding letter grade.

Grade policy:

Your grade will be determined by a weighted average of items listed below.

Homework	20%
Quiz	20%
Case studies	20%
Discussion Board	15%
Midterm Examination	10%
Final Examination	15%
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Total	100%

The reward system is as follows:

- 90% and above (A)
- 80%-89% (B)
- 70%-79% (C)
- 60%-69% (D)
- Less than 60% (F)

Case Study assignments:

The case study assignments focus on understanding the facts, researching background information, analyzing, and providing your opinion. Remember, if you back your argument, no answer is wrong. However, I would like you to refrain from making arbitrary self-opinionated statements that cannot be backed with some factual data, or quality published work.

Case studies involve watching a series of exploratory short documentaries related to Managerial Finance topics. These seem sufficient to provide you with an understanding of the issue. You are required to watch the documentary. In your report, answer the following:

1. Summarize the issue (about 1 paragraph).
2. How could the issue have been prevented in the first place? (about 1 paragraph).
3. What advice would you provide to resolve the issue in the best possible manner? (about 1 paragraph).
4. Give your own opinion on the matter (about 1 paragraph). Please be constructive in your criticism.

The documentaries can be watched at the PBS.org Frontline website. You will need speakers to listen to the audio and an internet connection as these are streamed. This is a perfectly legal site and is for public interest hosted by the Public Broadcasting Service. The web location for the

documentaries is:

- Case study 1: “To Catch a Trader.”**
 Available at: <https://www.pbs.org/wgbh/frontline/film/to-catch-a-trader/>
 FRONTLINE goes inside the government’s ongoing, seven-year crackdown on insider trading, drawing on an exclusively obtained video of hedge fund managers, incriminating FBI wiretaps of other traders, and interviews with both Wall Street and Justice Department insiders.
- Case study 2: “The Retirement Gamble.”**
 Available at: <https://www.pbs.org/wgbh/frontline/film/retirement-gamble/>
 The Retirement Gamble raises troubling questions about how America’s financial institutions protect retirement savings.
- Case study 3: “The Pension Gamble.”**
 Available at: <https://www.pbs.org/wgbh/frontline/film/the-pension-gamble/>
 FRONTLINE investigates the role of state governments and Wall Street in driving America’s public pensions into a multi-trillion-dollar hole.
- Case study 4: “The Warning.”**
 Available at: <https://www.pbs.org/wgbh/frontline/film/warning/>
 In the devastating aftermath of the economic meltdown, FRONTLINE sifts the ashes for clues about why it happened and examines critical moments when it might have gone much differently.

Case Study Grading Rubric:

Score		0-6 points	7 points	8 points	9-10 points
	%	Below Standard	Approaching Standard	At Standard	Exceeds Standard
<i>Clear explanation of key issues</i>	20%	Shows little understanding of the issues, key problems	Shows some understanding of the issues, key problems.	Shows adequate knowledge of the issues, key problems, and the case present situation and strategic issues. Executive summary adequate	Shows superior knowledge of the issues, key problems, and the company’s present situation and strategic issues. Effective Executive Summary
<i>Valid arguments</i>	20%	Critical issues and key problems that supported the	Critical issues and key problems that supported the	Critical issues and key problems that supported the	Critical issues and key problems that supported the

<ul style="list-style-type: none"> Logically organized, key points, key arguments, and important criteria for evaluating the case. Critical issues and key problems that supported the Case Analysis were identified and clearly analyzed and supported. 		Case Analysis were poorly identified, analyzed, and supported.	Case Analysis were not clearly identified, analyzed, and supported.	Case Analysis were partially identified, analyzed, and supported.	Case Analysis were clearly identified, analyzed, and supported.
<p><i>Appropriate analysis, evaluation, synthesis</i></p> <ul style="list-style-type: none"> There was complete data on which to base a thorough analysis. Key change drivers underlying the issues were identified. Synthesis, analysis, and evaluations were clearly presented and supported in an effective manner. 	20%	Analysis of key change drivers and the underlying issues inadequate.	Analysis of key change drivers and the underlying issues were not identified.	Analysis of key change drivers and the underlying issues were partially identified	Analysis of key change drivers and the underlying issues were clearly identified
<p><i>Conclusions and recommendations are congruent with the analysis.</i></p> <ul style="list-style-type: none"> Specific recommendations and/or plans of action provided. Specific data or facts were referred to when necessary to support the analysis and conclusions. Recommendations and conclusions were presented and supported in a literate and effective manner. 	20%	Effective recommendations and/or plans of action not provided. Specific data or facts necessary to support the analysis and conclusions were not provided.	Effective recommendations and/or plans of action inadequate. Specific data or facts were not referred to when necessary to support the analysis and conclusions.	Effective recommendations and/or plans of action were partially provided. Specific data or facts were occasionally referred to when necessary to support the analysis and conclusions.	Effective recommendations, solutions, and/or plans of action were provided. Specific data or facts were referred when necessary to support the analysis and conclusions.
<p><i>Proper organization, professional writing, and logical flow of analysis.</i></p> <ul style="list-style-type: none"> Logically organized, key points, key arguments, and important criteria for evaluating the business logic easily identified. Key points were supported with a well thought out rationale based on applying specific concepts or analytical frameworks to the data provided in the case. Proper grammar, spelling, punctuation, professional writing, and syntax. 	20%	Key points were poorly identified and supported with a well thought out rationale based on applying specific concepts or analytical frameworks to the data provided in the case. Grammar, spelling, punctuation, professional writing, and syntax need significant	Key points were not identified and supported with a well thought out rationale based on applying specific concepts or analytical frameworks to the data provided in the case. Grammar, spelling, punctuation, professional writing, and syntax needs improvement	Key points were partially identified and supported with a well thought out rationale based on applying specific concepts or analytical frameworks to the data provided in the case. Adequate grammar, spelling, punctuation, professional writing, and syntax	Key points were clearly identified and supported with a well thought out rationale based on applying specific concepts or analytical frameworks to the data provided in the case. Excellent grammar, spelling, punctuation, professional writing, and syntax

		improvement.			
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Discussion board:

Discussion assignments will be assigned as I finish each chapter. These will be posted in the Discussion area of the class. Discussion assignments shall be graded on the following criteria:

Protocol for posting and contributing to an online discussion.

a. You should begin at least one thread (in response to the main post posted by me) and provide at least two posts in response to other participants' threads.
b. Posting should be a minimum of one short paragraph. Word totals for each post should be in the 100-200 words range . Whether you agree or disagree explain why with supporting evidence and concepts from the readings or a related experience. Include a reference, link, or citation when appropriate.
c. Provide evidence of critical, college-level thinking and thoughtfulness in your responses or interactions. Avoid summarizing.
d. Contribute to the learning community by being creative in your approaches to topics, being relevant in the presented viewpoints, and attempting to motivate the discussion.
e. Be aware of grammar and sentence mechanics.
f. Use proper etiquette. Remember that being respectful is critical.

Discussion Grading Rubric:

Participating is measured by posting on 3 different days. You should make a minimum of 3 postings in total: one new thread and three thoughtful responses to different members. Your participation will be graded on a ten-point scale as follows.

A Discussion (9-10 points) – participated 2 times, a minimum of 2 posts.

- Are made in a timely fashion, giving others an opportunity to respond.
- Are thoughtful and analyze the content or question asked.
- Make connections to the course content and/or other experiences.
- Extend discussions already taking place or pose new possibilities or opinions not previously voiced.
- Are participants aware of the needs of the community, motivate group discussion, and present a creative approach to the topic.

*If these criteria are met but the 100-200-word count is not met, the score will drop two points.

B Discussion (8-9 points) – participated 1 time, a minimum of 2 posts.

- Are made in a timely fashion, giving others an opportunity to respond.
- Are thoughtful and analyze the content or question asked.
- Make connections to the course content and/or other experiences, but connections are unclear, not firmly established, or are not obvious.
- Contain novel ideas, connections, and/or real-world application but lack depth, detail, and/or explanation.
- Are from participants who interact freely and occasionally attempt to motivate discussion.

*If these criteria are met but the 100-200-word count is not met, the score will drop two points.

C Discussion (7-8 points) – participated 2-time, minimum of 2 posts.

- Are usually, but not always, made in a timely fashion.
- Are generally accurate, but the information delivered is limited.
- Make vague or incomplete connections between class content and posted by other students.
- Summarize what other students have posted and contain few novel ideas.
- Show marginal effort to become involved with the group.

*If these criteria are met but the 100-200-word count is not met, the score will drop two points.

D Discussion (6-7 points) – participated 1 time, minimum 1 post.

- Are not made in a timely fashion, if at all.
- Are superficial, lacking in analysis or critique.
- Contribute a few novel ideas, connections, or applications.
- May veer off-topic.
- Show little effort to participate in the learning community as it develops.

*If these criteria are met but the 100-200-word count is not met, the score will drop two points.

F Discussion (0 points).

- The participant was rude or abusive to other course participants. In this case, the number and quality of other posts is irrelevant.

OR

- The participant failed to meet the basic criteria for the “D Discussion”.

Case Studies, Chapter homework, Discussion, Examination, and Quiz submission policy:

- As a policy (unless specified otherwise) all assignments assigned are due at 4:00 p.m. on the submission date on the schedule. Any late submission will not be marked for grades. Please foresee contingencies as internet issues, technical problems and plan your submissions accordingly.
- All homework and case studies must be typed and uploaded in Word compatible format on Canvas using appropriate submission links. Please do not email any assignments, these will not be marked.
- Discussion, Quiz, and Examination are to be attempted on Canvas directly.

Attendance and class participation policy:

- As this is an online class, you are not required to attend the class in person.
- The class participation will be assessed by your regular participation and completion of assignments as required on the Learning Management System (Canvas).

Academic honesty:

- There is zero tolerance concerning academic honesty.
- University students are expected to practice the highest standards of academic honesty in every aspect of this course and all other courses.
- Cheating on exams, plagiarizing, verbatim copy (from an online source, peer, or another source), or misrepresenting the work of someone else as one's own, or any other occurrence of academic dishonesty violates the standards of our academic standards.
- Students who engage in academic misconduct are subject to university disciplinary procedures leading to a non-negotiable "fail grade" in class.
- Please refer to the Student Handbook for details on university policy on academic misconduct.

Changes to the course outline:

- The instructor reserves the right to change the course outline as the semester progresses. The provisions and information outlined in this schedule are intended to be informational and not contractual. I reserve the right to amend, alter, change, delete or modify the provisions of the schedule.

Course content ownership:

- The course design and the course recordings are the intellectual property of the instructor. Any use of the course design and course recordings outside of this class should come with an explicit agreement of the course instructor for a specific use.