# FIN 4110: Cases in Finance

**Instructor**  
Dr. Lee Sarver  
**Website**  
[www.mtsu.edu/~fsarver](http://www.mtsu.edu/~fsarver)  
**Class Time/Location**  
Section 001 (52208): MTWR 9:45–11:45, BAS N127  
**Office Location**  
Business and Aerospace Building (BAS) N313  
**Office Hours**  
MTW 2:00–3:00  
**Phone; Fax**  
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## Mission of the Jones College of Business

The mission of the Jones College of Business is to:

- Foster student success in a large business school with a small school feeling created by caring, professional faculty and staff interacting with students as individuals, in small classes, through proactive student organizations, and in a broad range of other settings, with students’ needs constantly of prime consideration;
- Provide career opportunities to our students by capitalizing on our extensive alumni network—82 percent of Jones College graduates live and work in Middle Tennessee; and
- Cultivate an international perspective among students that enables them to contribute to and succeed in the global marketplace.

We will produce graduates from our bachelor, master, doctoral, and executive and continuing education programs who are prepared for challenges and advancements in their chosen careers.

## Course Description and Learning Outcomes

“3 credit hours. Prerequisites: FIN 3010, FIN 3910, and FIN 3950 with a minimum grade of C (2.00); and admission into the College of Business. A case course emphasizing the financial aspects of management. Topics include financial statement analysis, working capital management, capital budgeting, and cost of capital.”  
([2019–2020 Undergraduate Catalog](http://example.com)).

You should already be acquainted with the valuation of expected future cash flows to reflect their size, timing, and risk. Our primary objective is to learn how and when to apply these tools in the context of specific, real-world problems, with particular attention to long-term investment decisions. (Cases may be supplemented by lectures, reviewing the concepts and methods involved.) A parallel objective is the enhancement of spreadsheet skills useful for financial analysis.

## Textbooks and Supplementary Materials

<table>
<thead>
<tr>
<th>Texts:</th>
<th>Any principles of finance text. (<a href="http://example.com">Required</a>, see below or online Assignments page for suggestions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cases. (<a href="http://example.com">Required</a>, located on course website)</td>
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</tbody>
</table>
| Other: | Supplements, as assigned. ([Online, free](http://example.com))  
MTSU e-mail account; Internet access and .pdf reader. ([Required](http://example.com), free)  
Microsoft Excel or compatible spreadsheet. |
Calculator: A financial calculator with IRR or YTM, simple statistical functions and the ability to handle uneven cash flows, such as the HP 10B(II) or TI BA II Plus Professional. If you use another, you are on your own.

Course Grading

• **Grades** are based on the weighted average of scores on four 120-minute online exams (20% each) and the average of up to ten 15-minute quizzes (20%). A 10-point “curve” is employed for exams (± scale online). There is no “extra credit”; an Incomplete (I) will not be used in lieu of a poor grade (Catalog). Grades are accessible through Pipeline or D2L, never by phone or e-mail.

• **Exams will be given via D2L during the class period.** They deal with financial principles encountered in the cases, are non-comprehensive and may include true/false, multiple choice, arithmetic and other question types. You should save each answer before moving to the next question in case a “glitch” occurs. If necessary, reboot/reconnect and resume where you left off, using the remaining time. Each exam is discussed as soon afterward as is feasible.

• **Exams must be taken as scheduled.** There are no make-ups and closed exams cannot be reopened. For one excused absence, the missing score will be replaced by the average score from your other exams; for an unexcused absence, by zero. For an absence to be excused, you must have a valid reason (medical necessity, university/business trip, military services or religious observance), notify the instructor (in advance, when feasible) and present documentary evidence. If you miss two exams, you must drop the course (or receive an F).

• **Exam resources:** You may use any resources available, including the text, notes and the internet—except other people. The instructor cannot answer questions regarding exam content on exam days. Ask them in advance.

• The drop deadlines are June 8 (without a grade) and June 22 (with a W).

Student Resources

• Finance Tutoring Lab: Additional help may be available. See the course website for times and contact information.

• D2L support: http://www.mtsu.edu/d2lsupport/students/index.php

• ITD Help Desk: 615-898-5345 or help@mtsu.edu

Professionalism

The Jones College of Business is a professional school. In the Jones College of Business, students will demonstrate Professionalism, which includes these behaviors:

• a solid work ethic demonstrated by preparation, punctuality, participation, and productivity;

• respectful and courteous interaction with others;

• ethical conduct; and

• professional deportment evidenced by business-appropriate dress, diction, and demeanor.

As a Jones College student, part of your preparation for your future career includes the ability to adapt to the expectations of your supervisors and to manage your own expectations relative to your position within the organization. The faculty in the Jones College expect that you will take this aspect of your preparation seriously. The instructor’s specific expectations of students related to Professionalism are outlined below (and throughout this syllabus).

Student Responsibilities

• Attendance: Per University policy, students are expected to attend all regularly scheduled classes, to be prepared and to participate respectfully in discussions. Attendance, preparation and participation are important not only to learning, but also for a satisfactory grade. If you miss a class, get the material covered from a classmate. You are absent if you arrive very late or leave very early. Disruptive or chronically absent students may be dropped.

• **The responsibility for learning is ultimately yours.** Keep up with the material (or it will “snowball.”) Attend regularly. Do assignments before class and come prepared to discuss them. You cannot learn this material in class alone; allow sufficient study time outside of class. If a point is unclear, ask. Use the office hours.
• You are responsible for any information posted on the course website or sent directly to you at your university e-mail account. Check them regularly.
• Supplementary course materials—e.g., cases, lecture notes—are available only on the course website (not the S:drive or D2L). A password is required.
• Use of cell phones and similar devices during class is prohibited; turn them off and put them away. Their presence during quizzes will be construed as cheating.
• The material presented in this course is the intellectual property of the instructor and/or others. Recording or reproducing it—without express written permission—is prohibited.

Hope (Lottery) Scholarship
To remain eligible for the Tennessee Education Lottery Scholarship, you must earn and maintain a certain GPA. A grade below B or an I, or dropping, withdrawing or stopping attendance of this class may cost your eligibility, which you may not be able to regain. For full Lottery rules, refer to your Lottery Statement of Understanding (www.mtsu.edu/financial-aid/forms/LOTFOD.pdf) or contact your MT One Stop Enrollment Counselor (www.mtsu.edu/one-stop/counselor.php).

Accommodations for Students with Disabilities
Any student requiring reasonable accommodation should consult the Disability & Access Center (DAC) at: www.mtsu.edu/dac, 615-898-2783 or dacemail@mtsu.edu. ADA accommodation requests (temporary or permanent) are evaluated only by the DAC. Students are responsible for contacting the DAC and for providing the instructor with the Accommodation Letter from the DAC.

Academic and Classroom Misconduct
Middle Tennessee State University takes a strong stance against academic misconduct. Academic misconduct includes, but is not limited to, plagiarism, cheating, and fabrication.
• Plagiarism. The adoption or reproduction of ideas, words, statements, images, or works of another person as one's own without proper attribution. This includes self-plagiarism, which occurs when an author submits material or research from a previous academic exercise to satisfy the requirements of another exercise and uses it without proper citation of its reuse.
• Cheating. Using or attempting to use unauthorized materials, information, or aids in any academic exercise or test/examination.
• Fabrication. Unauthorized falsification or invention of any information or citation in an academic exercise.

“Students guilty of academic misconduct, either directly or indirectly, through participation or assistance, are immediately responsible to the instructor . . . . [who] has the authority to assign an appropriate grade for the exercise or examination, or to assign an F in the course, as is proportional to the nature and extent of academic misconduct” (Catalog).

Note that the University defines misconduct broadly, to include “text messaging, and the continued use of any electronic or other noise or light emitting device which disturbs others (e.g., disturbing noises from beepers, cell phones, palm pilots, laptop computers, games, etc.).”

The instructor reserves the right to amend this document, in which event, sufficient notice will be given.
**Class Schedule**

Come to class prepared to discuss the cases assigned below. The texts of the cases are available on the course website, together with associated spreadsheets. (If necessary, review FIN 3010/3950.) Chapters from several texts are listed below; more are on the course website, as are review materials for FIN 3010/3950. Note: Below, **W#A** identifies a Web Appendix (online text) available on the course website. Chapter 12 (Cost of Capital), omitted from RWJ8, is also available there.

<table>
<thead>
<tr>
<th>Class</th>
<th>Topic</th>
<th>Cases to Prepare</th>
<th>FIN 3010 Chapters for Review/Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>M 06/03</td>
<td>Overview of Course</td>
<td></td>
<td>RWJ 8, 9</td>
</tr>
<tr>
<td>T 06/04</td>
<td>Time Value of Money</td>
<td></td>
<td>1stNat</td>
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<tr>
<td>W 06/05</td>
<td>contd</td>
<td></td>
<td>Merrill</td>
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<tr>
<td>R 06/06</td>
<td>Exam 1: 9:45–11:45 on D2L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M 06/10</td>
<td>Risk and Return</td>
<td></td>
<td>Western1</td>
</tr>
<tr>
<td>T 06/11</td>
<td>contd</td>
<td></td>
<td>Western2</td>
</tr>
<tr>
<td>W 06/12</td>
<td>Exam 2: 9:45–11:45 on D2L</td>
<td></td>
<td>Coleman</td>
</tr>
<tr>
<td>R 06/13</td>
<td>Security Valuation: Bonds</td>
<td>Western1</td>
<td>6</td>
</tr>
<tr>
<td>M 06/17</td>
<td>Security Valuation: Stock</td>
<td>Western2</td>
<td>7</td>
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<tr>
<td>T 06/18</td>
<td>Firm’s Cost of Capital</td>
<td>Coleman</td>
<td>12</td>
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<tr>
<td>W 06/19</td>
<td>contd</td>
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<tr>
<td>R 06/20</td>
<td>Exam 3: 9:45–11:45 on D2L</td>
<td>Allied</td>
<td>8</td>
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<tr>
<td>M 06/24</td>
<td>Capital Budgeting: Methods</td>
<td>Allied</td>
<td>8</td>
</tr>
<tr>
<td>T 06/25</td>
<td>contd</td>
<td>Allied</td>
<td>8</td>
</tr>
<tr>
<td>R 06/27</td>
<td></td>
<td>Allied</td>
<td>8</td>
</tr>
<tr>
<td>M 07/01</td>
<td>Capital Budgeting: Project Cash Flows</td>
<td>AFP2</td>
<td>9</td>
</tr>
<tr>
<td>T 07/02</td>
<td>Capital Budgeting: Project Risk/MCC</td>
<td>Blum</td>
<td>9</td>
</tr>
<tr>
<td>W 07/03</td>
<td>Capital Budgeting: Optimal Capital Budget</td>
<td>Blum</td>
<td>9</td>
</tr>
<tr>
<td>R 07/04</td>
<td>No class: Independence Day</td>
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