**Course Syllabus (2018 Summer 2, June)**

**FIN 4110: Cases in Finance**

**Instructor**
Dr. Lee Sarver

**Website**
[www.mtsu.edu/~fsarver](http://www.mtsu.edu/~fsarver)

**Class Time/Location**
Section 001 (53020): MTWR 9:45–11:45, BAS N127

**Office Location**
Business and Aerospace Building (BAS) N313

**Office Hours**
MTW 2:00–3:00

**Phone; Fax**
615-898-5919; fax 615-898-5596 (in department office)

**Email:**
Lee.Sarver@mtsu.edu

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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.

**Hope (Lottery) Scholarship**

To remain eligible for the Tennessee Education Lottery Scholarship, you must earn a cumulative TELS GPA of 2.75 after 24 and 48 attempted hours and a cumulative TELS GPA of 3.0 thereafter. A grade below B or I in this class may negatively impact eligibility. If you drop this class, withdraw, or if you stop attending, you may lose eligibility and you may not be able to regain it later. For additional Lottery rules, refer to your Lottery Statement of Understanding form ([www.mtsu.edu/financial-aid/forms/LOTFOD.pdf](http://www.mtsu.edu/financial-aid/forms/LOTFOD.pdf)) or contact your MT One Stop Enrollment Counselor ([www.mtsu.edu/one-stop/counselor.php](http://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](http://www.mtsu.edu/dac), 615-898-2783 or [dacemail@mtsu.edu](mailto: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.
Course Description and Learning Outcomes

“A case course emphasizing the financial aspects of management. Topics include financial statement analysis, working capital management, capital budgeting, and cost of capital” (2017–2018 Undergraduate Catalog). Prerequisites: Senior standing; FIN 3010, FIN 3910 and FIN 3950 with a minimum grade of C (2.00); and admission into the College of Business.

You should already be acquainted with the valuation of future cash flows to reflect their size, timing, and risk. Our primary objective is to learn how and when to apply these tools to 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 development of spreadsheet skills useful for financial analysis.

Textbooks and Supplementary Materials

Texts: Any principles of finance text. (Required, see below or online Assignments page for examples)
Cases. (Required, located on course website)

Other: Supplements, as assigned. (Online, free)
MTSU e-mail account; Internet access and .pdf reader. (Required, free)

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 60-minute in-class 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 in demo lab BAS S137F. They cover financial principles, not case details and are not comprehensive. You may bring one 8½×11 page of hand-written notes (both sides). Each exam is discussed immediately afterward.
• Exams must be taken as scheduled. There are no make-ups. For one excused absence, the score of the missed exam will be replaced by the average score of 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).
• No student will be allowed to start an exam after 15 minutes of testing have elapsed or once any student has submitted his exam.
• Once testing has begun, no student will be allowed to leave the room for any reason (e.g., restroom or water breaks) unless prior documentation of medical necessity (signed by a physician) is provided. If a student leaves, his exam will be collected and submitted as complete.
• Use or attempted use of cell phones, tablets, notebooks, iPods or similar devices during an exam will be construed as cheating. Turn them off and put them away.
• The drop deadlines are June 7 (without a grade) and June 23 (with a W).

Finance Tutoring Lab

Additional help may be available. See the course website for times and contact information.

Attendance

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 instructor reserves the right to amend this document, in which event, sufficient notice will be given.
• **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 digital media players during class is prohibited; turn them off and put them away.** Recording of classes is prohibited.

• **The material presented in this course is the intellectual property of the instructor and/or others.** Its recording or reproduction—without express written permission—is prohibited.

**Academic 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.

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.)."

“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*).
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. Chapters for 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) 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 06/04</td>
<td>Overview of Course</td>
<td>1stNat</td>
<td>RWJ 8, 9 B&amp;H 7C M&amp;S 2 CAN 1 B&amp;H 11</td>
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<tr>
<td>T 06/05</td>
<td>Time Value of Money</td>
<td>1stNat</td>
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<td>W 06/06</td>
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<tr>
<td>R 06/07</td>
<td>Exam 1: BAS S137F</td>
<td>Discuss Exam 1</td>
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<tr>
<td>M 06/11</td>
<td>Risk and Return</td>
<td>Merrill</td>
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<td>T 06/12</td>
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<td>W 06/13</td>
<td>Exam 2: BAS S137F</td>
<td>Discuss Exam 2</td>
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<tr>
<td>R 06/14</td>
<td>Security Valuation: Bonds</td>
<td>Western1</td>
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<tr>
<td>M 06/18</td>
<td>Security Valuation: Stock</td>
<td>Western2</td>
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<tr>
<td>T 06/19</td>
<td>Firm's Cost of Capital</td>
<td>Coleman</td>
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<td>W 06/20</td>
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<td>R 06/21</td>
<td>Exam 3: BAS S137F</td>
<td>Discuss Exam 3</td>
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<td>M 06/25</td>
<td>Capital Budgeting: Methods</td>
<td>Allied</td>
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<td>T 06/26</td>
<td>contd</td>
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<tr>
<td>W 06/27</td>
<td>Capital Budgeting: Project Cash Flows</td>
<td>AFP</td>
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<td>R 06/28</td>
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<tr>
<td>M 07/02</td>
<td>Capital Budgeting: Project Risk/MCC</td>
<td>AFP2</td>
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<tr>
<td>T 07/03</td>
<td>Capital Budgeting: Optimal Capital Budget</td>
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<tr>
<td>W 07/04</td>
<td>No class: Independence Day</td>
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</tr>
<tr>
<td>R 07/05</td>
<td>Exam 4: BAS S137F</td>
<td>Discuss Exam 4</td>
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