



TEXAS A&M UNIVERSITY - SAN ANTONIO

College of Business

Department of Accounting & Finance
FINC 3337-900: Principles of Corporate Finance

Fall Semester 2024

Course Web Site: <http://tamusa.blackboard.com/>

INSTRUCTOR: Dr. Syed M. Harun, Professor of Finance
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SEMESTER DURATION: Fall 2024 16-week session: 08/26/2024 - 12/13/2024.

CLASS MEETING TIME AND LOCATION: T 2:00 pm – 3:15 pm; BLH 262

OFFICE HOURS: T R 3:30 – 5:30 pm

COURSE DESCRIPTION: The objective of the course is to provide a basic understanding of why business entities and financial markets behave the way they do. The course will focus on three major aspects of finance: the financial system, corporate finance, and investments. Focusing on the practical aspects of business enterprise this course will provide guidelines to analyze problems and find solutions using the techniques, methods and procedures applied by financial professionals.

PREREQUISITES: Completion of the College of Business prerequisites with a grade of C or better. TSI Restriction(s): Reading, Math, and Writing

STUDENT LEARNING OUTCOMES: After successful completion of this course, students will be able to:

- Use time value of money techniques for asset valuation.
- Understand features and valuation of stocks, bonds, and other financial assets.
- Apply the techniques of capital budgeting to evaluate major projects and investments.
- Measure and assess risks and returns for investment decision-making.
- Assess costs of capital and make corporate financing decisions.
- Make decisions about capital structure and payout policies.

REQUIRED MATERIALS:

- ❖ **Text:** Fundamentals of Corporate Finance, Richard Brealey; Stewart Myers, and Alan Marcus, 11th ed., 2023. McGraw Hill Higher Education. Custom e-book 9781265803094.
- ❖ **McGraw Hill Connect:** You will complete assignments, quizzes, and exams in an online homework management system – McGraw HillConnect. Instructions on obtaining online access and a link to the website will be provided separately. Please ensure that you have purchased the appropriate code and registered in the system ASAP.
- ❖ **Blackboard:** Connect to <http://tamusa.blackboard.com>. Your user ID is the Jaguar ID (aka J Number, e.g., J00001234). Password is the Date of Birth (MMDDYY). You will have lecture notes, solutions to problems, and other supplementary materials in Blackboard. It will also be used for communication, discussions, assignments, and quizzes.
- ❖ **TIME:** You are expected to spend 3-6 hours per week on the course.

RECOMMENDED MATERIALS: I recommend you to watch Bloomberg TV. I also encourage you to read the Wall Street Journal, The Economist, Business Week, and other business publications.

COURSE REQUIREMENTS: Every student must fulfill the following course requirements to succeed in the course:

1. Students should check the Course Calendar, Announcements in Blackboard, and email messages on a regular basis.
2. Students should keep current with all course assignments, quizzes, and examinations.
3. Students should ask questions and communicate with the instructor in class or online.
4. For all classwork, exams, quizzes, etc., if a student is completing it off-campus, they are responsible for the availability of internet connectivity. Extensions will **not** be granted for lack of availability of internet connections.
5. It is the student's responsibility to obtain and be able to use the required materials and software for this class.
6. Everyone in class is expected to follow all rules in the student handbook and the rules of common courtesy during lectures and discussions.
7. Attendance may be taken by an appropriate method by the instructor.

QUIZZES AND EXAMINATIONS: There will be a midterm exam and a final exam. There will also be quizzes on every chapter covered. The quizzes and exams will consist of conceptual and problem-solving questions. The quiz and exam materials will come from lecture notes, the text, and class discussions. Questions will emphasize understanding and applications of concepts and topics covered in class.

MAKE-UP/LATE POLICY: As a general rule, make-ups or late submissions will NOT be offered or accepted for any missed assignments/quizzes/exams. Late submissions or make-ups may be accepted/administered only in extraordinary circumstances, such as an excused official university activity, a severe illness, or a dire emergency. However, you must provide comprehensive documentation before or within a few days of the missed assignment/quiz/exam.

GRADING POLICY: The final course grade will be based on your performance on the assignments, quizzes, and exams using the following weights:

Assignments/pop quiz	250 points
Quizzes	250 points
Mid-term Exam	250 points
Final Exam	250 points

The final letter grades will be assigned as follows: Above 900 points => A; 800 – 899 points => B; 700 – 799 points => C; 600 – 699 points => D; Below 600 => F.

COURSE DROP POLICY: You may drop the course on or before November 11, 2024, with an automatic grade of W. If you wish to drop the class after that date, you will receive either W (if you have a satisfactory record so far) or F. The last date to drop a course or withdraw from the University is November 19, 2024. If you wish to drop the class, you must submit the necessary paperwork to the proper authority.

CLASS ATTENDANCE AND PARTICIPATION: A vital part of every student's education is regular attendance of weekly face-to-face class sessions. Any absences tend to lower the quality of a student's work, and frequent or persistent absences may result in a failing grade. Students are responsible for the materials covered in class. The course covers a lot of material, and most students find at least some parts of it difficult. Class participation is highly encouraged as it makes the class more interesting and enhances the learning experience. Students are strongly encouraged to ask questions, participate in class discussions and problem-solving, and visit/contact the instructor during office hours in case of questions or concerns. Good attendance and participation will be rewarded when final grades are assigned.

UNIVERSITY E-MAIL POLICY AND COURSE COMMUNICATIONS: All correspondence between professors and students must occur via tamusa e-mail accounts. You must have your Jaguar e-mail account ready and working. If it is not working, contact the help desk at 210-784-4357. The instructor will reply to a student's e-mail and voice messages within two business days on weekdays (Monday-Friday).

ACADEMIC MISCONDUCT POLICY: Texas A&M University-San Antonio students are expected to exhibit a high level of honesty and integrity in their pursuit of higher education and follow the Texas A&M University-San Antonio Code of Conduct. For more information, please visit the Office of Student Rights & Responsibilities website <http://bit.ly/TAMUSAStudentRR>. Academic misconduct includes, but is not limited to, cheating, plagiarism, multiple submissions, collusion, lying, and bribery. In cases of academic misconduct, students may be subject not only to grade sanctions in courses but to disciplinary action. If a student wishes to appeal the decision of suspension or expulsion due to violations of academic misconduct, they must initiate their appeal as outlined within the Student Code of Conduct.

Fall 2024 CLASS SCHEDULE

The provisions and information in this schedule are intended to be informational and not contractual. The instructor reserves the right to amend, alter, or modify the provisions of the schedule. Changes to the schedule will be made only under extenuating circumstances. All the changes will be announced in class and via Blackboard/e-mail, and the students are responsible for the announced changes.

Week	Chapter and Topic	Due Dates
08/27/24	Introduction and Syllabus Chapter 1. Goals and Governance of the Corporation	09/03/24
09/03/24	Chapter 2: Financial Markets and Institutions	09/10/24
09/10/24	Chapter 4: Measuring Corporate Performance	09/17/24
09/17/24	Chapter 5. The Time Value of Money	09/24/24
09/24/24	Chapter 6. Valuing Bonds	10/01/24
10/01/24	Chapter 7. Valuing Stocks	10/08/24
10/08/24	Chapter 8. Net Present Value and Other Investment Criterion	10/15/24
10/15/24	Mid-Term Exam	
10/22/24	Chapter 11: Risk, Return, and the Opportunity Cost of Capital	10/29/24
10/29/24	Chapter 12: Risk, Return, and Capital Budgeting	11/05/24
11/05/24	Chapter 13. WACC and Company Valuation	11/12/24
11/12/24	Chapter 16: Debt Policy	11/19/24
11/19/24	Chapter 17. Payout Policy	11/26/24
11/26/24	Chapter 20: Working Capital Management	12/03/24
12/03/24	Chapter 25. What we do and do not know about Finance	
12/10/24	Final Exam	



TEXAS A&M UNIVERSITY
SAN ANTONIO

IMPORTANT POLICIES AND RESOURCES

Academic Accommodations for Individuals with Disabilities: Texas A&M University-San Antonio is committed to providing all students with reasonable access to learning opportunities and accommodations in accordance with The Americans with Disabilities Act, as amended, and Section 504 of the Rehabilitation Act. If you experience barriers to your education due to a disability or think you may have a disability, Disability Support Services is located in the Central Academic Building, Suite 210. You can also contact us via phone at (210) 784-1335, visit us <https://www.tamusa.edu/Disability-Support-Services/index.html> or email us at dss@tamusa.edu. Disabilities may include, but are not limited to, attentional, learning, mental health, sensory, physical, or chronic health conditions. All students are encouraged to discuss their disability-related needs with Disability Support Services and their instructors as soon as possible.

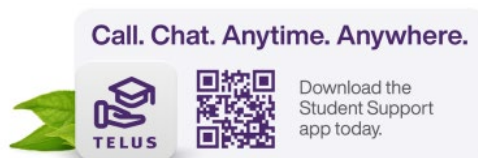
Academic Learning Center: The Academic Learning Center provides free course-based tutoring to all currently enrolled students at Texas A&M University-San Antonio. Students wishing to work with a tutor can make appointments through the Brainfuse online tutoring platform. Brainfuse can be accessed in the *Tools* section of Blackboard. You can contact the Academic Learning Center by emailing tutoring@tamusa.edu, calling (210) 784-1307, or visiting the Central Academic Building, room 202.

Counseling/Mental Health Resources: As a college student, there may be times when personal stressors interfere with your academic performance and negatively impact your daily functioning. If you are experiencing emotional difficulties or mental health concerns, support is available to you through the Student Counseling Center (SCC). To schedule an appointment, call 210-784-1331 or visit Madla 120.

All mental health services provided by the SCC are free and confidential (as the law allows). The Student Counseling Center provides brief individual and group therapy, crisis intervention, consultation, case management, and prevention services. For more information on SCC services visit tamusa.edu/studentcounseling

Crisis support is available 24/7 by calling the SCC at 210-784-1331 (after-hours select option '2').

Additionally, the TELUS Student Support App provides a variety of mental health resources to including support for in the moment distress, an anonymous peer to peer support network, mental health screenings, podcasts, and articles to improve your mental wellbeing.



Emergency Preparedness: JagE Alert is Texas A&M University-San Antonio's mass notification. In the event of an emergency, such as inclement weather, students, staff and faculty, who are registered, will have the option to receive a text message, email with instructions and updates. To register or update your information visit: <https://tamusa.bbcportal.com/>.

More information about Emergency Operations Plan and the Emergency Action Plan can be found here: <https://www.tamusa.edu/about-us/emergency-management/>.

Download the SafeZone App (<https://safezoneapp.com/>) for emergencies or call (210) 784-1911. Non-Emergency (210) 784-1900.

Financial Aid and Verification of Attendance: According to the following federal regulation, 34 CFR 668.21: U.S. Department of Education (DoE) Title IV regulation, a student can only receive Title IV funds based on Title IV eligibility criteria which include class attendance. If Title IV funds are disbursed to ineligible students (including students who fail to begin attendance), the institution must return these funds to the U.S. DoE within 30 days of becoming aware that the student will not or has not begun attendance. Any student receiving federal financial aid who does not attend by the census date will have their financial aid terminated and returned to the DoE. Please note that any student who stops attending at any time during the semester, a Care report will be submitted, and you will possibly be dropped from the class. Your financial aid may have to be recalculated and a portion of your federal aid may have to be returned to the DoE.

Writing, Language, and Digital Composing Center: The Writing, Language, and Digital Composing Center supports graduate and undergraduate students in all three colleges as well as faculty and staff. Tutors work with students to develop reading skills, prepare oral presentations, and plan, draft, and revise their written assignments. Our language tutors support students enrolled in Spanish courses and students composing in Spanish for any assignment. Our digital studio tutors support students working on digital projects such as eportfolios, class presentations, or other digital multimedia projects. Students can schedule appointments through JagWire under the Student Services tab. Click on "Writing, Language, and Digital Composing Center" to make your appointment. The Center offers face-to-face, synchronous online, and asynchronous digital appointments. More information about what services we offer, how to make an appointment, and how to access your appointment can be found on our website at <https://www.tamusa.edu/academics/>.

Meeting Basic Needs: Any student who has difficulty affording groceries or accessing sufficient food to eat every day or who lacks a safe and stable place to live, and believes this may affect their performance in the course, is urged to submit a CARE referral (<https://www.tamusa.edu/university-policies/Student-Rights-and-Responsibilities/file-a-report.html>) for support. Furthermore, please notify the professor if you are comfortable in doing so. This will enable them to direct you to available resources.

Military Affairs: Veterans and active-duty military personnel are welcomed and encouraged to visit the Office of Military Affairs for any question involving federal or state VA Education Benefits. Visit the

Patriots' Casa building, room 202, or to contact the Office of Military Affairs with any questions at military.va@tamusa.edu or (210)784-1397.

Religious Observances: Texas A&M University-San Antonio recognizes the diversity of faiths represented among the campus community and protects the rights of students, faculty, and staff to observe religious holidays according to their tradition. Under the policy, students are provided an opportunity to make up any examination, study, or course work requirements that may be missed due to a religious observance provided they notify their instructors before the end of the second week of classes for regular session classes.

The Six-Drop Rule: Students are subject to the requirements of Senate Bill (SB) 1231 passed by the Texas Legislature in 2007. SB 1231 limits students to a maximum of six (6) non-punitive course drops (i.e., courses a student chooses to drop) during their undergraduate careers. A non-punitive drop does not affect the student's GPA. However, course drops that exceed the maximum allowed by SB 1231 will be treated as "F" grades and will impact the student's GPA.

Statement of Harassment and Discrimination: Texas A&M University-San Antonio is committed to the fundamental principles of academic freedom, equal opportunity, and human dignity. To fulfill its multiple missions as an institution of higher learning, A&M-San Antonio encourages a climate that values and nurtures collegiality and the uniqueness of the individual within our state, nation, and world. All decisions and actions involving students and employees should be based on applicable law and individual merit. Texas A&M University-San Antonio, in accordance with applicable federal and state law, prohibits discrimination, including harassment, on the basis of race, color, sex, religion, national origin, age, disability, genetic information, veteran status, sexual orientation, gender identity, gender expression, or pregnancy/parenting status. Individuals who believe they have experienced harassment or discrimination prohibited by this statement are encouraged to contact the appropriate offices within their respective units.

Texas A&M University-San Antonio faculty are committed to providing a safe learning environment for all students and for the university as a whole. If you have experienced any form of sex- or gender-based discrimination or harassment, including sexual assault, sexual harassment, domestic or dating violence, or stalking, know that help and support are available. A&M-San Antonio's Title IX Coordinator can support those impacted by such conduct in navigating campus life, accessing health and counseling services, providing academic and housing accommodations, and more. The university strongly encourages all students to report any such incidents to the Title IX Coordinator. Please be aware that all A&M-San Antonio employees (other than those designated as confidential resources such as counselors and trained victim advocates) are required to report information about such discrimination and harassment to the university. This means that if you tell a faculty member about a situation of sexual harassment, sexual violence, or other related misconduct, the faculty member must share that information with the university's Title IX Coordinator (titleix@tamusa.edu, 210-784-2061, CAB 439K). If you wish to speak to a confidential employee who does not have this reporting requirement, you can contact the Student Counseling Center at (210) 784-1331 or visit them in Madla 120.

Pregnant/Parenting Students: Texas A&M-San Antonio does not require a pregnant or parenting student, solely because of that status or issues related to that status, to (1) take a leave of absence or withdraw from their degree or certificate program; (2) limit the student's studies; (3) participate in an alternative program; (4) change the student's major, degree, or certificate program; or (5) refrain from joining or cease participating in any course, activity, or program at the University. The university will provide such reasonable accommodations to pregnant students as would be provided to a student with a temporary medical condition that are related to the health and safety of the student and the student's unborn child. These could include maintaining a safe distance from substances, areas, and activities known to be hazardous to pregnant individuals and their unborn child; excused absences because of illness or medical appointments; modified due dates for assignments; rescheduled tests/exams; taking a leave of absence; and being provided access to instructional materials and video recordings of lectures for excused absences, if these would be provided to any other student with an excused absence. Pregnant/parenting students are encouraged to contact the Title IX Coordinator with any questions or concerns related to their status (titleix@tamusa.edu; 210-784-2061; CAB 439K).

Texas A&M-San Antonio has also designated the Title IX Coordinator as the liaison officer for current or incoming students who are the parent or guardian of a child younger than 18 years of age. The Title IX Coordinator can provide students with information regarding support services and other resources.

Students' Rights and Responsibilities: The following statement of students' rights and responsibilities is intended to reflect the philosophical base upon which University Student Rules are built. This philosophy acknowledges the existence of both rights and responsibilities, which is inherent to an individual not only as a student at Texas A&M University-San Antonio but also as a citizen of this country.

Students' Rights

1. A student shall have the right to participate in a free exchange of ideas, and there shall be no University rule or administrative rule that in any way abridges the rights of freedom of speech, expression, petition and peaceful assembly as set forth in the U.S. Constitution.
2. Each student shall have the right to participate in all areas and activities of the University, free from any form of discrimination, including harassment, on the basis of race, color, national or ethnic origin, religion, sex, disability, age, sexual orientation, gender identity, gender expression, and pregnancy/parenting or veteran status in accordance with applicable federal and state laws.
3. A student has the right to personal privacy except as otherwise provided by law, and this will be observed by students and University authorities alike.
4. Each student subject to disciplinary action arising from violations of university student rules shall be assured a fundamentally fair process.

Students' Responsibilities

1. A student has the responsibility to respect the rights and property of others, including other students, the faculty, and administration.
2. A student has the responsibility to be fully acquainted with the published University Student Rules found in the Student Handbook, Student Code of Conduct, on our website, and University Catalog, and to comply with them, as well as with federal, state, and local laws.

3. A student has the responsibility to recognize that student actions reflect upon the individuals involved and upon the entire University community.
4. A student has the responsibility to recognize the University's obligation to provide a safe environment for learning.
5. A student has the responsibility to check their university email for any updates or official university notifications.

We expect that students will behave in a manner that is dignified, respectful, and courteous to all people, regardless of sex, ethnic/racial origin, religious background, sexual orientation, or disability. Conduct that infringes on the rights of another individual will not be tolerated.

Students are expected to exhibit a high level of honesty and integrity in their pursuit of higher education. Students engaging in an act that violates the standards of academic integrity will find themselves facing academic and/or disciplinary sanctions. Academic misconduct is any act, or attempt, which gives an unfair advantage to the student. Additionally, any behavior specifically prohibited by a faculty member in the course syllabus or class discussion may be considered as academic misconduct. For more information on academic misconduct policies and procedures please review the Student Code of Conduct (<https://www.tamusa.edu/university-policies/student-rights-and-responsibilities/documents/Student-Handbook-2022-23.pdf>) or visit the resources available in the OSRR website (<https://www.tamusa.edu/university-policies/student-rights-and-responsibilities/academic-integrity.html>).

Broader Use of Generative AI Permitted Within Guidelines

Use of artificial intelligence (AI) tools, including ChatGPT, is permitted in this course for students who wish to use them. To adhere to our scholarly values, students must cite any AI-generated material that informed their work (this includes in-text citations and/or use of quotations, and in your reference list). Using an AI tool to generate content without proper attribution qualifies as academic dishonesty and violates Texas A&M-San Antonio's standards of academic integrity.

Important Dates:

August 26	First day of class
September 2	Labor Day Holiday
November 11	Last day to drop with an automatic "W"
November 19	Last day to drop a course or withdraw from the University
November 27	Study Day – No classes
November 28-30	Thanksgiving Holiday – No classes
December 5	Last day of classes
December 6	Study Day – No classes
December 7-13	Final exams

The complete academic calendar is available online: <https://www.tamusa.edu/academics/academic-calendar/index.html>.