Southern Illinois University
College of Business
BA 530 – Financial Management
Fall 2013, MW 2:00-3:15PM, Rehn 326

Instructor: Xiaoxin Wang Beardsley, Ph.D., Associate Professor of Finance
(Pronounce: Shaw-Shin)
Office: Rehn 128A
Telephone: 618-453-1422
E-mail: For general questions: xwang@business.siu.edu;
To turn in assignments: teachingx@yahoo.com;
PLEASE DO NOT EMAIL TO xwang@siu.edu

Website: New lecture notes will be posted in advance of each class on Desire2Learn;
Important announcements will also be posted on D2L;
Make sure you check D2L frequently (at least every other day) so as not to miss any
announcement or lecture notes.
Office Hours: Monday/Wednesday, 10:45am—12:15pm, or by appointment

Purpose of the Course: This course provides a broad overview of basic concepts and principles in financial
management. Topics covered will center on corporate valuation. Specific subjects are time value of money,
financial statements and ratio analysis, bond and bond valuation, asset pricing theories, stock and stock
valuation, cost of capital, capital budgeting, agency problems, distribution policy, capital structure decisions,
and the Bloomberg market data service.

Prerequisites: BA 510, ECON 240 and 241 or equivalent, FIN 330 with a grade of C or better. Enrollment is
restricted to students in the College of Business graduate program or consent of the department. Students
who have had FIN 361 or its equivalent, or were undergraduate finance majors are not allowed in BA 530 and
should take a different finance course in its place.

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Exams: There are three stand-alone non-cumulative exams. Questions on the exams include True/False,
multiple choice, short answers, calculations and/or essays. Exams will cover issues addressed in class, no
matter whether they are in the textbook or not. Exams are close-book (no formula sheet is allowed and no
computer). There is also one final oral exam on the valuation project.

Project: There is one project on the application of corporate and equity valuation. The project will be assigned
when the specific material is covered.

Bloomberg Essentials Online Training Certifications: You can take the Bloomberg’s online training on the
basics of Bloomberg system and functionality at any Bloomberg terminal in the College of Business. Two
certifications are required. One for Equity Essentials and one for Fixed Income Essentials. Detailed instructions
on how to obtain the certifications is attached at the end of this syllabus.

Attendance: Attendance makes up 10% of your grade (10 points out of 100). Each absence without valid
reason and documentation after the first one will result in a 1-point deduction, till your attendance score goes
to zero.
Grading scale: The final score for the course will be assigned as follows:

- Exam 1: 20%
- Exam 2: 20%
- Exam 3: 20%
- Project: 20%
- Attendance: 10%
- Bloomberg certifications: 10%
- Final oral exam: 5%

Academic Dishonesty: Academic dishonesty will NOT be tolerated. Students found guilty of committing acts of academic dishonesty will receive an F in the course and risk suspension from SIUC. Examples of academic dishonesty include, but are not limited to: plagiarism, possession or use others’ projects (even a part of) to work as their own, talking to others during an exam, and looking at others’ exam papers.

Posting Grades: SIUC dawgtag numbers (85xxxxxxx) will be used to post grades of the entire class on the course webpage on D2L during the semester. If you have questions about this grade posting method, please let me know asap.

I WILL TREAT EVERYONE WITH RESPECT. IN RETURN, I EXPECT THE BASIC MANNERS FROM YOU. THESE INCLUDE:

1. Absolutely NO newspaper reading, internet surfing, text messaging, or chatting in class.

2. All excuses for absences require OFFICIAL documentation timely. If no official documentation is provided, the student is FULLY responsible for making up the class material, i.e., I will NOT go over anything with you, not on the same day, not on the next day, and definitely not before the exam or project due date.

3. Every student is required to come to class ON TIME. Should a student need to leave class early, he/she is expected to let me know IN ADVANCE.

4. Since each student can get up to 5% extra points, any other argument about more curves, extra credits or bonus points is unnecessary: especially for students who do not show efforts during the semester and require anything extra in the end, the answer will be an absolute NO. No student will be given an advantage over others by having the opportunity to obtain additional extra credit. Incomplete grades will NOT be given except under appropriate circumstances and approved by the instructor.

5. All assignments are required to be submitted via emails AND in paper copies by the due time. Electronic copies are to be submitted to teachingx@yahoo.com; paper copies are to be submitted in person. Any assignment past due will suffer a loss of 2 points per calendar day while in delay.
Tentative Course Outline: (This schedule is subject to change)

<table>
<thead>
<tr>
<th>Tentative Class Schedule</th>
<th>Reading</th>
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<tbody>
<tr>
<td><strong>Part 1:</strong></td>
<td></td>
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<tr>
<td>An Overview of Financial Management and Agency Problem in Modern Corporations</td>
<td>Ch. 1&amp;13</td>
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<td>Time Value of Money</td>
<td>Ch. 4</td>
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<td>Free Cash Flow Calculation and Uses of Free Cash Flow: Distribution Theory</td>
<td>Ch. 2&amp;14</td>
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<tr>
<td>Analysis of Financial Statements (Ratio analysis)</td>
<td>Ch. 3</td>
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<td><strong>Bloomberg certifications:</strong> Due Wednesday 9/4, 2:00pm, email e-copy and turn in paper</td>
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<td>copy to me in class</td>
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<td><strong>Exam 1:</strong> Wednesday 9/18</td>
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<td><strong>Part 2:</strong></td>
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<td>Bonds, Bond Valuation, and Interest Rates</td>
<td>Ch. 5</td>
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<td>Risk, Return, and the Capital Asset Pricing Model</td>
<td>Ch. 6</td>
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<tr>
<td>Stocks, Stock Valuation (Dividend Discount Model), and Stock Market Equilibrium</td>
<td>Ch. 7</td>
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<td><strong>Exam 2:</strong> Wednesday 10/16</td>
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<td><strong>Part 3:</strong></td>
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<td>The Cost of Capital and Capital Structure Theories</td>
<td>Ch. 9&amp;15</td>
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<td>The Basics of Capital Budgeting: Evaluating Cash Flows</td>
<td>Ch. 10</td>
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<td>Cash Flow Estimation and Risk Analysis</td>
<td>Ch. 11</td>
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<td><strong>Exam 3:</strong> Wednesday, 11/20</td>
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<td><strong>Part 4:</strong> Corporate Valuation and Financial Planning (valuation project)</td>
<td>Ch.12</td>
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<td><strong>Financial Analysis Project:</strong> DUE Friday, 12/6, 11:00 am, email e-copy, and turn in</td>
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<td>paper copy to me in my office (Rehn 128A)</td>
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<td>**Finals week, Friday, 12/13, 12:50-2:50pm, final oral exam on the valuation project</td>
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Rehn 326 Open Lab Hours:
To access Bloomberg terminals in Rehn 326 when lectures are not taking place, you can obtain a key fob from the finance department with a deposit. The tentative Bloomberg Open Lab schedule in Rehn 326 for Fall 2013 is:

- Monday and Wednesday 9:30 – 11:00 am and 3:30 – 5:00 pm
- Tuesday 3:30 – 5:00 pm
- Friday 11:00 am – 4:00 pm

Others:
For detailed information on important semester dates, student conduct code, and emergency procedures, please go to: http://pvcaa.siu.edu/_common/documents/Syllabus_Attachment.pdf
Bloomberg Essentials Online Training Certificates
Due Wednesday September 4th @ 2:00pm
E-copies are to be submitted to teachingx@yahoo.com; paper copies are to be submitted in person in class. Anything past due will suffer a loss of 2 points per calendar day while in delay

A mass media corporation based in New York City, Bloomberg provides financial software tools such as analytics and equity trading platform, data services and news around the world through the Bloomberg Terminal.

What is Bloomberg Essentials Online Training Program?
It teaches the basics of Bloomberg’ system and functionality online through the Bloomberg Terminal. Students who wish to apply for positions in the Finance industry should consider taking the training at any Bloomberg terminal in the College of Business, SIUC.

Where are the Bloomberg Essentials Videos/Exams located on the terminal?
Type BESS<GO>

What classes must I take?
You must view 4 core videos + 1 sector video(Equity Essentials) and take 2 exams (1 exam for the 4 core videos, and 1 exam for the sector video) in order to receive one Bloomberg Acknowledgement of Completion (certificate) for Equity Essentials. To receive another certificate on Fixed Income Essentials, you need to view that sector’s video and pass the corresponding exam. Each video runs approximately 30-40 minutes;

Bloomberg 4 Core Videos
- Getting Started
- Bloomberg News
- Market Monitors and Launchpad
- API (Bloomberg Data in Excel)

After viewing the 4 Core Videos you will automatically be enabled to take the Core Exam

NOTE: You only take 1 Exam for the 4 Core Videos, but you won’t get any certification until you pass at least one market sector exam listed below.

Bloomberg Market Sector Videos
- Equity Essentials
- Fixed Income Essentials
- FX Essentials
- Commodity Essentials

For this course, you are required to pass the exam for Equity Essentials and the exam for Fixed Income Essentials to obtain the two certifications, one for each sector.

How do I take the exam after each video?
You will automatically be enabled to take the exam once you have viewed the required video(s). If you come back to the terminal to take the exam, separate from viewing the video, select BESS<GO>, and then select 10) View and Take Exams. It is highly recommended that you take the exam immediately after completing the video rather than waiting.

What is required to pass an exam?
You must make 75% or greater on each exam to pass.

Can I retake an exam?
You can retake any exam only one time.

Questions?
HELP HELP – click the green HELP key (upper left, keyboard) twice and chat live with Bloomberg Support.