Instructor Information
Name: Claire Liang
Office: Rehn 124A
Phone: 453-1425
e-mail: [to come]

Course Place and Time
Rehn 326
Tue, Thu 12:35 – 01:50 pm (Section 1)
Tue, Thu 02:00 – 03:15 pm (Section 2)

Office Hours
Tue, Thu 03:15-04:15 pm
(If you plan to come to office hours, drop me an email by 11am the same day or notify me after that
day's class)
Other times available by appointment
Special office hours schedule before exams

Course Objective and Summary
As the second undergraduate course in corporate finance, the purpose of FIN 361 is to provide
business students with a greater depth of understanding of topics that are important to the financial
management of the modern business corporation.

My primary goal is to help you develop a framework and acquire necessary knowledge from which
you can think about and analyze corporate financial decisions (i.e. to think like a CFO). Although
theory will also be studied, we will tend to focus on the more practical applications of the topics
covered in this course.

Prerequisites
FIN 330 (Introduction to Finance) with a grade of C or better, junior standing, and business major
or minor.

Course Materials
Textbook:

This book has a web site with additional resources that you may find useful (see below).
http://highered.mheducation.com/sites/0078034779/student_view0/index.html

Slides, which outline each lecture, will be made available online before each class. I may also
distribute some articles online throughout the semester.
Financial Calculator
You will need a financial calculator for the course and for the exams. You should already have one from FIN 330. Consult the user's manual and familiarize yourself with the operations that are needed for this course. Every financial calculator is different, so I may not be familiar with your calculator. The best way to learn how to operate your financial calculator is from reading the user's manual. Two of the popular models are Texas Instruments BAII Plus and HP 10-BII if you are considering to buy one.

Attendance
Attendance is not mandatory, but is strongly encouraged. If you miss a class, then you are responsible for getting whatever information you need from a classmate (not from me). This applies to questions about upcoming exams.

Grading and Exams (Tentative, subject to change)

<table>
<thead>
<tr>
<th>What</th>
<th>When</th>
<th>Where</th>
<th>Weight (Scheme 1)</th>
<th>Weight (Scheme 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Participation</td>
<td>Every class</td>
<td>In class</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>Midterm Exam 1</td>
<td>Sept 23 (Tue)</td>
<td>In class</td>
<td>25%</td>
<td>27.8%</td>
</tr>
<tr>
<td>Midterm Exam 2</td>
<td>Oct 30 (Thu)</td>
<td>In class</td>
<td>25%</td>
<td>27.8%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>TBA (2 hrs)</td>
<td>TBA</td>
<td>40%</td>
<td>44.4%</td>
</tr>
</tbody>
</table>

Points will be calculated based on both Schemes 1 and 2 for every student, and the higher value will be chosen for the consideration of the student's grade. There are no extra credit assignments or points available.

I encourage good discussions and lively debates in class that help enhance everyone's learning experience. Class participation points come from good questions you asked or good comments you made in class related to the course materials. You will not get class participation points by merely showing up in class. Similarly, poorly thought over, face-time questions or comments will not increase your class participation points.

The following grades will be assigned for the respective average equivalents:
A: (90% <= Grade <= 100%), B: (80% <= Grade < 90%), C: (70% <= Grade < 80%),
D: (60% <= Grade < 70%), F: (Grade < 60%).

Exams
Exam Attendance: If you miss a midterm for a legitimate reason (e.g. severe illness), then the weight of the missed midterm will shifted to your final exam. If you don’t have a legitimate reason, then you will receive a score of zero. There are no alternative exam dates, so if your schedule prevents you from sitting for an exam, don’t take the class. Any student who arrives late for an exam after another student has finished his exam and has left the room will not be permitted to take the exam.

Materials Tested: The midterms will include whatever materials we have covered up until the day of the exam. The second midterm is non-cumulative. The final exam is cumulative; anything and
everything covered throughout the course is fair game on the final. Exam questions can cover anything in either the lectures, or the assigned articles. Materials in the textbook that are not covered in one of these other sources will not be on the exam.

_Exam Sheets and Other Materials:_ For each exam you may bring one letter-sized sheet of paper with writing on both sides. You may bring a calculator to the exams. You need to have your SIU student ID out in plain sight while taking the exams. No mobile electronic communication devices of any kind may be accessed during examinations.

_Re-Grading:_ You may request one full re-grading for each exam. Re-grading requests must be made in writing, and you must explain why the manner in which your exam was graded does not correspond to the information in the answer key, which will be made available after the exam. A full re-grading means that the _entire_ exam is re-graded. Therefore it is possible for the re-graded score to be lower than the original score. Re-grading requests must be made within one week after the exam has been returned.

**Academic Integrity**
Academic dishonesty will be dealt with severely. Any suspected cases of academic dishonesty will be referred to the Dean for the appropriate disciplinary action. The stiffest penalty under University policy will be recommended.

**Other Information**
1. The best way to learn is solving problems on your own. I will assign practice questions throughout the course to help you understand the materials covered.

2. I will not discuss forthcoming exams during office hours or outside the class. All students will have the same information concerning exams, so ask questions concerning any forthcoming exam during class.

3. Incomplete grades will not be given except under appropriate circumstances. Requests for an incomplete must come shortly after such time that the student established conditions whereby he/she will be unable to finish the course.

**Classroom Conduct**
You are not required to attend the lectures. If you choose to come to class, please show respect to me and your fellow classmates, silence your mobile phone and refrain from distracting behaviors in class, such as talking, texting, typing or surfing the Internet.

The majority of the students at SIU are great. However, sometimes a few students may talk among themselves throughout the lectures, making it difficult for both myself and the other students to concentrate. My policy regarding this is a follows: The first time a student is disruptive I ask them to stop talking. The second time the student is asked to leave class for rest of the day. The third time I both ask the student to leave class for the day, and ask the Dean to permanently remove the student from the class.
Getting in Touch with me

Send me an e-mail if you have short questions or would like to schedule a meeting. Please write FIN 361 in the subject line. My e-mail policy:

- I will do my best to respond to e-mail by the end of the following business day. That is a goal, not a promise.
- E-mail may not be suited for explaining certain financial concepts. I’ll do what I can but often I’ll recommend a meeting if the topic is too cumbersome to deal with via e-mail.
- Please have reasonable expectations about my response speed before exams. If you send an e-mail after noon the day before an exam, you probably won’t get a timely response.

Tentative Course Schedule: This schedule is subject to change

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description</th>
<th>Textbook Chapters</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
<td>Chapters 1, 2</td>
</tr>
<tr>
<td>2</td>
<td>Choose long-term investments (capital budgeting)</td>
<td>Chapters 5, 6, 13</td>
</tr>
<tr>
<td>3</td>
<td>Choose long-term financing (capital structure)</td>
<td>Chapters 15, 16, 17, 18</td>
</tr>
<tr>
<td>4</td>
<td>Special topics (1): payout policy and financial distress</td>
<td>Chapters 19, 30</td>
</tr>
<tr>
<td>5</td>
<td>Short-term finance (working capital management)</td>
<td>Chapters 26, 27, 28</td>
</tr>
<tr>
<td>6</td>
<td>Financial statement analysis and financial models</td>
<td>Chapter 3</td>
</tr>
<tr>
<td>7</td>
<td>Special topics (2): TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>

If time allows, we may cover some of the following topics in Topic 7. Your suggestions are welcome.

Potential topics to be covered in Topic 7:

- Leasing (Ch. 21)
- Long-term financing instruments, start-up financing, going public decision (Ch.20)
- Evidence of management market timing
- Corporate governance
- Managerial compensation
- Market efficiency (Ch.14)
- Merger, acquisition, and divestiture (Ch.29)
Emergency Procedures (instructions have been provided by the University):

Southern Illinois University Carbondale is committed to providing a safe and healthy environment for study and work. Because some health and safety circumstances are beyond our control, we ask that you become familiar with the SIUC Emergency Response Plan and Building Emergency Response Team (BERT) program. Emergency response information is available on posters in buildings on campus, available on the BERT’s website at www.bert.siu.edu, Department of Public Safety’s website www.dps.siu.edu (disaster drop down) and the Emergency Response Guidelines pamphlet. Know how to respond to each type of emergency.

Instructors will provide guidance and direction to students in the classroom in the event of an emergency affecting your location. It is important that you follow these instructions and stay with your instructor during an evacuation or sheltering emergency. The Building Emergency Response Team will provide assistance to your instructor in evacuating the building or sheltering within the facility.