Southern Illinois University  
College of Business  
BA 530: Financial Management  
Spring 2016

**Section:** Mondays and Wednesdays, 9:35~11AM, Rehn 326  
**Professor:** Dr. Saiying Deng  
**Office:** Rehn 126A  
**Office Hours:** Mondays and Wednesdays, 12:30~1:30PM or by appointment  
**Telephone:** (618) 453-1418  
**Email:** sdeng@business.siu.edu

**Course Description**  
This course provides a broad overview of basic concepts, principles, and recent innovations in financial management. Topics covered include risk and return, valuation, capital budgeting, capital structure, cost of capital, and dividend policy, etc.

**Course Prerequisite**  
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 BA 531 instead.

**Required Textbook**  

**Financial Calculator**  
Financial calculator is required for this course, which will make your life much easier. I recommend using TI-BA II Plus, and will demonstrate how to use this model in class. If you use a different financial calculator, you need to learn how to use it by yourself. Calculator tutorials for various models such as HP 10B, TI-BA II Plus, Sharp EL-733A, etc. are available at the following website: [http://www.tvmcalcs.com/calculator_index](http://www.tvmcalcs.com/calculator_index).

**Grading Policy**  
Weights are as follows:  

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<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Exam I</td>
<td>100</td>
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<tr>
<td>Exam II</td>
<td>100</td>
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<tr>
<td>Exam III</td>
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<tr>
<td>Mini Cases</td>
<td>70</td>
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<tr>
<td>Quizzes</td>
<td>100</td>
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<tr>
<td>Attendance &amp; Participation</td>
<td>30</td>
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<td><strong>Total</strong></td>
<td><strong>500</strong></td>
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Grades will be assigned as follows:  

- **A:** 450~500 points  
- **B:** 400~449 points  
- **C:** 350~399 points  
- **D:** 300~349 points  
- **F:** Below 300 points
Exams
Three exams will be given for this course, and all exams are closed books, closed notes, and in class exams. The exams usually contain multiple choice questions and/or problems. Each exam covers approximately one third of the course. There will be no makeup exam, unless you have a compelling reason (i.e., illness, etc.) for missing an exam, in which case valid documentation (i.e., doctor’s notes in the case of illness) needs to be presented, and approved by the professor at least 48 hours before the exam date. An unexcused absence from an exam will result in a grade of zero. Laptops, cell phones, smart phones, iPads, or other electronic devices are NOT allowed on the exams.

Mini Cases
8 mini cases will be assigned. Students will be divided in several groups and work on the mini cases together. The assessment will be made at group level. Students in the same group will receive the same score. One mini case with the lowest score will be dropped, and the other mini cases with better scores will be counted toward your final grade.

Quizzes
There will be 6 quizzes throughout the semester. No make-up quiz will be given. One quiz with the lowest score will be dropped, and the other quizzes with better scores will be counted toward your final grade.

Attendance & Participation
You are required to attend all classes. Please be advised that class attendance may greatly help you understand the logic behind the course material, and thus improve your grade. Excessive absences will adversely affect your course grade. I expect students to help creating a positive learning environment by being prepared and participating in class discussion.

University Policies
You can find important university policies, including withdrawal, incomplete, repeat, disability policies, student conduct code, emergency procedures, etc., in the link below: http://pvcaasiu.edu/_common/documents/syllabus%20attachments/syllabus-attachment-spring-2016.pdf
Tentative Course Outline*

Part I: January 20, 25, 27, February 1, 3, 8, 10, 15, 17
Chapter 1. Introduction to Corporate Finance
Chapter 4. Discounted Cash Flow Valuation
Chapter 5. Net Present Value and Other Investment Rules
Chapter 6. Making Capital Investment Decisions

FEBRUARY 22: EXAM 1

Part II: February 24, 29, March 2, 7, 9, 21, 23, 28, 30
Chapter 7. Risk Analysis, Real Options, and Capital Budgeting
Chapter 8. Interest Rates and Bond Valuation
Chapter 9. Stock Valuation
Chapter 13. Risk, Cost of Capital, and Valuation

March 14 and March 16 No Class (Spring Break)

APRIL 4: EXAM 2

Part III: April 6, 11, 13, 18, 20, 25, 27, May 2, 4
Chapter 16. Capital Structure: Basic Concepts
Chapter 17. Capital Structure: Limits to the Use of Debt
Chapter 18. Valuation and Capital Budgeting for the Levered Firm
Chapter 19. Dividends and other Payouts

MAY 13 (8~10:15AM): EXAM 3

*The professor reserves the right of any change when deemed necessary.
SAFETY AWARENESS FACTS AND EDUCATION

Title IX makes it clear that violence and harassment based on sex and gender is a Civil Rights offense subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, etc. If you or someone you know has been harassed or assaulted, you can find the appropriate resources here: http://safe.siu.edu

SALUKI CARES

The purpose of Saluki Cares is to develop, facilitate and coordinate a university-wide program of care and support for students in any type of distress—physical, emotional, financial, or personal. By working closely with faculty, staff, students and their families, SIU will continue to display a culture of care and demonstrate to our students and their families that they are an important part of the community. For Information on Saluki Cares: (618) 453-5714, or siucares@siu.edu, http://salukicares.siu.edu/index.html

EMERGENCY PROCEDURES

Southern Illinois University Carbondale is committed to providing a safe and healthy environment for study and work. We ask that you become familiar with the SIU Emergency Response Plan and Building Emergency Response Team (BERT) programs. Emergency response information is available on posters in buildings on campus, available on BERT’s website at www.bert.siu.edu, Department of Safety’s website at www.dps.siu.edu (disaster drop down) and the Emergency Response Guideline pamphlet. 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.

INCLUSIVE EXCELLENCE

SIU contains people from all walks of life, from many different cultures and sub-cultures, and representing all strata of society, nationalities, ethnicities, lifestyles, and affiliations. Learning from and working with people who differ is an important part of education as well an essential preparation for any career. For more information please visit: http://www.inclusivexcellence.siu.edu/

LEARNING AND SUPPORT SERVICES

Help is within reach. Learning support services offers free tutoring on campus and math labs. To find more information please visit the Center for Learning and Support Services website:

Tutoring: http://tutoring.siu.edu/
Math Labs http://math.siu.edu/courses/course-help.php

WRITING CENTER

The Writing Center offers free tutoring services to all SIU students and faculty. To find a Center or Schedule an appointment please visit http://write.siu.edu/

AFFIRMATIVE ACTION & EQUAL OPPORTUNITY

Our office's main focus is to ensure that the university complies with federal and state equity policies and handles reporting and investigating of discrimination cases. For more information visit: http://diversity.siu.edu/

Additional Resources Available:

SALUKINET: https://salukinet.siu.edu/cp/home/displaylogin

ADVISEMENT: http://advisement.siu.edu/

PROVOST & VICE CHANCELLOR: http://pvcaa.siu.edu/

SIU ONLINE: http://online.siu.edu/