



FISHER

COLLEGE OF BUSINESS

BUSFIN3220 **Spring 2017** **Course Syllabus**

Professors:

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Course Materials:

Textbooks (Required):

Berk, DeMarzo and Harford, **Fundamentals of Corporate Finance, 3rd Edition**, Pearson Prentice Hall. Here is a link:

http://www.amazon.com/Fundamentals-Corporate-Finance-Edition-Pearson/dp/013350767X/ref=pd_sim_sbs_b_2?ie=UTF8&refRID=1VQWXHY9MQS6TJVKQQE

You now have several ways to get access to the textbook, some of which might provide a cost savings for you.

MyFinanceLab is optional. **If you choose to purchase MyFinanceLab, you can also purchase an e-text or a binder ready version of the text. This must be done from within Carmen. Once you have purchased MFL, you can get to it through Carmen. You do not need to sign on to the Pearson website.**

Financial calculator (Required):

TI BA-II (any version) or TI-80 series (Model 82, 83, 84, 85, 86, 89, etc). Available at the OSU Bookstore, as well as Target, Wal-Mart, on-line, etc. Note: All lectures, modules and solutions will use the TI-BAII. Students who already have a TI-80 Series calculator are not required to purchase a BA-II model, but it will be up to you to learn how to translate BA-II notation into how to solve problems using your calculator.

http://www.amazon.com/Texas-Instruments-Plus-Financial-Calculator/dp/B00000JZKB/ref=pd_sim_b_1

You may use both calculators, if you wish.

Here is a link to some tutorials using the TI BA-II and TI-83:

TI BA-II: http://movies.atomiclearning.com/k12/ti_ba2

TI-83: <http://educ.jmu.edu/~drakepp/general/calculator/ti83.html>

Course Format:

BUSFIN3220 is delivered in a hybrid format. This will bear some similarities to your hybrid courses in Accounting, but not entirely. Your responsibilities for each week will be as follows:

1. Read the chapter(s) in the text beforehand, and watch the assigned video modules. The reading of the book plus the video modules will give you a first look at the concepts, terms and definitions that will be covered in the chapter.
2. Also before lecture, solve the first few questions from the Recommended Problems list in the syllabus. After reading the chapter and watching the video modules, the first few questions will help you apply what you have learned.
3. Attend the Tuesday lecture. There will generally be a brief (5-10 minute) summary of the basics of the chapter, then the lecture will move into the more difficult material from the chapter and solve some problems. **Questions are always welcome; please don't hesitate to interrupt at any point!** Lecture notes will be available in advance of the class.
4. Attend your recitation (Wednesday or Monday). We will be working on problem-solving in a smaller class setting that will allow for more discussion.
5. Work the remaining recommended problems in the chapter, the recitation problems and the online problem set, if one is due that week.

Solving the problems from the Problems section in the back of each chapter is essential. For each chapter, we have given you a list of suggested problems. These problems are representative of what you might see on an exam or quiz, but it is not an exhaustive list. If you find the problems difficult or if you want further practice, you should solve some of the other problems from the Problems section. For your convenience, the solutions manual is posted on Carmen.

Regular class attendance is expected, but we do not take attendance after the first week. If you miss a class, you are responsible for obtaining notes from the website or from your fellow classmates. After obtaining the notes and reading the material, feel free to ask us questions.

Students With Disabilities:

The Office of Disability Services verifies students with specific disabilities and develops strategies to meet the needs of those students. All students with a specific disability are encouraged to contact the Office of Disability Services to explore the potential accommodations available to them. Students registered with ODS can take their exams at ODS.

Academic Integrity:

All students enrolled in this course are responsible for abiding by the guidelines outlined in the University's Code of Student Conduct. (You can find the full Code at http://studentlife.osu.edu/pdfs/csc_12-31-07.pdf)
Code violations will be reported to the Committee on Academic Misconduct.

Disenrollment:

Fisher College of Business strongly enforces University attendance policies. As per University rule 3335-8-33, any student may be disenrolled from a course for failure to attend by the first Friday of the term, or by the 3rd instructional day of the term, or by the second class meeting, ***whichever occurs first.***

Midterm Exams: There will be **two midterm exams. The exams will take place during your Tuesday lecture. The midterm dates are:**

Tuesday, February 14th and Tuesday, April 4th

The midterms will be 100 points each. Each midterm will have 20 multiple choice questions worth 5 points each. The multiple choice questions will involve both conceptual questions as well as calculation questions, based on material covered in class, in the video modules and from the problems at the back of each chapter. Your exam will have a formula sheet attached to it; you cannot bring your own.

Final Exam: TBA (Various rooms across campus)

The final exam will be 100 points and will also consist of 20 multiple choice questions. The final exam is not cumulative; it will just cover Chapters 10-13. Your exam will have a formula sheet attached to it; you cannot bring your own. *You will be assigned to one of the rooms; you cannot choose which room you will take the exam.* All students **MUST** take the final on the above date and time unless you have a documented conflict with another University scheduled exam.

Exam rules: You should be in your seat 5 minutes before the exam starts. All electronic devices other than your calculator must be turned off and put away during exams. All other course materials must be out of sight. All hats and hoods must be off your head.

Your exam grades will be posted on Carmen. Exams are not returned to the students, but you may view your scantron during office hours.

On-Line Problem Sets:

There will be **6 20-point online problem sets**. Your best 5 scores from the problem sets will be applied to your grade. Due dates are listed on the Class Calendar page. All the problem sets are due at 11:59pm on the due date. The problem sets will be posted on Carmen. **Late assignments will be not be accepted by Carmen.**

Problem Set due dates/times:

PS1: Ch. 3-4, due 11:59pm Friday 2/3

PS2: Ch. 5, due 11:59pm Friday 2/10

PS3: Ch. 6-7, due 11:59pm Friday 3/10

PS4: Ch. 8-9, due 11:59pm Friday 3/31

PS5: Ch. 10-11, due 11:59pm Tuesday 4/18 * NOTE Different Due Date *****

PS6: Ch. 12-13, due 11:59pm Tuesday 4/25 * NOTE Different Due Date *****

When you submit your problem set on Carmen, you will get your score immediately. **After** the deadline passes, you will be able to view a report on Carmen showing which questions you answered incorrectly and what the correct answers to those problems were. Those are the only problems you will be able to view.

Grading (400 total points available):

Midterm 1: 100 points

Midterm 2: 100 points

Final Exam: 100 points

Problem Sets: 100 points (best 5 at 20 points/each)

The grade scale is curved so that the class average will be a B-minus. We reset the curve after each exam, so you will be able to calculate your current percentage and compare it to the scale below to see exactly where you stand.

The grade scale is as follows (in percent):

92.5-100 A

88.5-92.49 A-

85.5-88.49 B+

82.5-85.49 B

79.5-82.49 B-

76.5-79.49 C+

72.5-76.49 C

69.5-72.49 C-

65.5-69.49 D+

59.5-65.49 D

59.49 or below E

Tutoring Lab:

The tutor lab is located in 40 Fisher. The tutors will be available to answer questions, help you solve problems and understand concepts. They are NOT allowed to help you with problem set questions until after the deadline for that problem set. Tutor hours will begin on Tuesday, January 17th and run until the end of the semester.

Other interesting materials (not required, but good reading):

“The Big Short: Inside the Doomsday Machine” by Michael Lewis, 2010, ISBN: 0393072231. Lewis, who has written “Liar’s Poker” (below), “Panic: The Story of Modern Financial Insanity”, “The Blind Side”, “Moneyball” and several other books, worked at Solomon Brothers (now part of Citigroup, but at the time the most profitable firm on Wall Street) during the mid-1980’s. He examines the subprime crash of 2008-09 through the lens of a few specific individuals.

Other key books covering the 2008-09 financial crisis:

“Too Big to Fail” by Andrew Ross Sorkin.

“The Black Swan” and (older) “Fooled by Randomness” by Nassim Nicholas Taleb.

“This Time is Different” by Carmen Reinhart and Ken Rogoff.

“The Greatest Trade Ever” by Gregory Zuckerman.

“Liar’s Poker: Rising Through the Wreckage on Wall Street” by Michael Lewis, 1989, ISBN: 0140143459. A bit dated, but still a funny read. The inside story of a guy working in sales and trading for Wall Street’s top firm in the mid-1980’s. Great stories about the firm’s reaction to the 1987 Crash, the pranks traders play on each other, the attitudes, and the story of the Human Piranha.

“Monkey Business: Swinging Through the Wall Street Jungle” by John Rolfe and Peter Troob, 2001, ISBN: 0446676950. An interesting, sometimes funny, sometimes bitter look at what it is like being a junior investment banker at (what was then) a top Wall Street firm.

“More Money Than God” by Sebastian Mallaby, 2011, ISBN: 0143119419. A great history of hedge funds.

“The Buy Side: A Wall Street Trader’s Tale of Spectacular Excess” by Turney Duff. A story of the rise and fall of a guy who went from Morgan Stanley trainee to one of the Street’s biggest traders of healthcare stocks. Many great during-hours and after-hours stories of the temptations that come with the job and how it ultimately led to him having to leave the industry.

“Capital Ideas: The Improbable Origins of Modern Wall Street” by Peter Bernstein, 2005, ISBN: 0471731749. A great book that bridges the gap between the academics who established the foundations of finance and the industry that now implements their ideas every day.

“When Genius Failed: The Rise and Fall of Long-Term Capital Management” by Roger Lowenstein, 2001, ISBN: 0375758259. The story of how the best minds of finance—including Nobel laureates Robert Merton and Myron Scholes (lauded in Capital Ideas), along with John Meriwether from Liar’s Poker—began a hedge fund that could not possibly fail, until it did. A very valuable story about how even the absolute greatest minds can be brought to their knees by the market. After reading how these titans of finance were humbled, it is much less of a surprise when we hear how “ordinary” Wall Street CEOs bankrupted their companies in 2008.

“Den of Thieves” by James B. Stewart, 1992, ISBN: 067179227X. A long book that spells out in precise detail the insider trading trials of the late-1980’s.

Class Calendar:

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Jan. 8	9 Intro (ATTENDANCE TAKEN)	10 WEEK 1 Introduction to Course/Chapter 1 You can skip section 1.2 and just read 1.1 and 1.3-1.6	11 Intro (ATTENDANCE TAKEN)	12	13	14
15	16 No class – MLK Day	17 WEEK 2 Chapter 3 Recommended problems: 3,4,6,10,11,17-21,23-26	18 Ch. 3	19	20	21
22	23 Ch. 3	24 WEEK 3 Chapter 4 Recommended problems: 8,9,12,13,15,17,18,20,21,23,25,29,31,32,34,36,38,39	25 Ch. 4	26	27	28
29	30 Ch. 4	31 WEEK 4 Chapter 5 Recommended problems: 1,4,5,6,8,10,12,14,16,17,18a,19,25,27,30,36	Feb. 1 Ch. 5	2	3 PS#1 (Ch. 3-4) Due 11:59pm	4
5	6 Ch. 5	7 WEEK 5 Review	8 Review	9	10 PS#2 (Ch.5) Due 11:59pm	11
12	13 Review	14 WEEK 6 MIDTERM 1 (in lecture) Ch. 1, 3-5	15 Ch. 6 Intro to Bonds	16	17	18
19	20 Ch. 6 Intro to Bonds	21 WEEK 7 Chapter 6 Recommended problems: 3,4,6,9,10,12,17,21,23-25,30	22 Ch. 6	23	24	25
26	27 Ch. 6	28 WEEK 8 Chapter 7 Recommended problems: 6,7,11,13-15,19,22,25	Mar. 1 Ch. 7	2	3	4
5	6 Ch. 7	7 WEEK 9 Chapter 8 Recommended problems: 2,7,9,10,13,17,20,21,26,32,34,36	8 Ch. 8	9	10 PS#3 (Ch. 6-7) Due 11:59pm	11
12	March 13-17 Spring Break (No classes)					18
19	20 Ch. 8	21 WEEK 10 Chapter 9 Recommended problems: 4,5,11,13,18,20,22,28,31-33	22 Ch. 9	23	24	25
26	27 Ch. 9	28 WEEK 11 Chapter 10 Recommended problems: 1,2,4,5,6,11,15,17,20,23	29 Review	30	31 PS#4 (Ch. 8- 9) Due 11:59pm	Apr. 1
2	3 Review	4 WEEK 12 MIDTERM 2 (in lecture) Ch. 6-9 (not Ch. 10)	5 Ch. 10	6	7	8
9	10 Ch. 10	11 WEEK 13 Chapter 11 Recommended problems: 1,5,7,11,12,18,22 Chapter 12 Recommended problems: 1,3,5,14,17,20,22,25,27,29,31,33,34	12 Ch. 11-12	13	14	15
16	17 Ch. 11-12	18 WEEK 14 Chapter 13 Recommended problems: 1,4,6,8,10,16,18,19,23,25 PS#5 (Ch.10-11) Due 11:59pm	19 Ch. 13	20	21	22
23	24 Ch. 13 Last day of classes	25 WEEK 15 PS#6 (Ch.12-13) Due 11:59pm	26	27	28	29
30	May 1	2	3	4	5	6

FINAL EXAM: TBD ROOMS: TBD Ch. 10-13

NOTE: Please do not make arrangements to leave campus until after the Final Exam date. We will not be able to accommodate any requests for alternate exam dates/times unless you have a documented conflict with another class

Websites and Blogs:

TI BA-2 calculator tutorials: http://movies.atomiclearning.com/k12/ti_ba2

Wall Street Journal: www.wsj.com

Financial Times: <http://www.ft.com/home/us>

Bloomberg: www.bloomberg.com

Yahoo! Finance: <http://finance.yahoo.com/>

Financial calculators: www.dinkytown.net

Salary.com: <http://www.salary.com/mysalary.asp>

Marginal Revolution: <http://www.marginalrevolution.com/>

Freakonomics: <http://freakonomics.blogs.nytimes.com/>

Brad DeLong: <http://delong.typepad.com/>

Greg Mankiw: <http://gregmankiw.blogspot.com/>

Megan McArdle: <http://www.bloombergview.com/contributors/megan-mcardle>

Paul Krugman: <http://krugman.blogs.nytimes.com/>

John Taylor: <http://johnbtaylorblog.blogspot.com/>

Free Exchange: <http://www.economist.com/blogs/freeexchange/>

Real Time Economics (WSJ): <http://blogs.wsj.com/economics/>

Calculated Risk: <http://www.calculatedriskblog.com/>

The Sports Economist: <http://www.thesportseconomist.com/>