



National Taiwan University of Science and Technology

2018 Summer Program

FIN 101 Introduction to Finance

Course Outline

Course Code: FIN 101

Instructor: Kang Cheng, Ph.D., CPA, CVA

Home Institution: Morgan State University, Baltimore, Maryland

Office Hours: M/W 12:00 to 1:00, and by appointment

Email: kang.cheng@morgan.edu

Credit: 4

Course Description:

This course covers the principles and practices used in the financing of business organizations. Topics include financial planning, funds acquisition, financial analysis, current asset management, capital budgeting, cost of capital, and ethical issues related to financial management. The course emphasizes key financial management concepts with emphasis on ratio analysis, cash flow estimation, stocks and bonds valuation, capital budgeting, and return risks. A strong understanding of algebra is very important.

This course has 72 class hours, including 40 lecture hours, professor 10 office hours, 10-hour TA-lead exercises/practices, 10-hour TA discussion sessions, and 2-hour review sessions.

Lecture hours are M/T/W/TR 4:00 pm to 6:00 pm.

Required Course Materials:

| Textbook | Edition | Author | Publisher | ISBN-10 |
|---------------------------------|----------------|----------------------|-------------------|----------------|
| Essentials of Corporate Finance | 9th | Ross and Westerfield | McGraw-Hill/Irwin | 9781259998478 |

Note: **A financial calculator** is highly recommended.

EXCEL functions can also performance some calculation and analysis.



COURSE OBJECTIVES:

After taking this course, students should be able to: (Method(s) of Measurement)

Evaluate financial statements and use ratio analysis to *communicate* the financial status of corporations. (Exams)

Demonstrate *knowledge* of key financial concepts including time value of money, risk and returns, security valuation, and net present value. (Exams)

Apply financial concepts to make decisions and solve problems using “real” firms. (Exams, Excel Activity)

Understand and use *information technology* (MS Excel and Internet resources) to support financial decision- making and to aid in interpretation of stock and bond quotes. (Excel Activity)

Recognize *ethical* and *social* issues related to financial management decisions. (Exams)

COURSE FORMAT:

Class meetings will consist of lectures and discussions. Students are expected to read the assigned chapters and other posted material before class. Students are expected to participate in all aspects of class assignments. Homework problems are given to reinforce concepts and learning objectives. Students should be prepared to present assigned problems in-class. Exams and homework assignments are individual assignments to be completed by the enrolled student. Exam questions mimic real-life problems. Students are encouraged to ask questions and actively participate in class to better understand less intuitive concepts. Throughout the course, relevant industry matters and current events will be introduced, discussed and analyzed.

Grading: Students will be evaluated by 2 exams, homework, and Participation.

Grading Policies:

| Part | Percentage | Notes |
|---|-------------------|---|
| <u>Homework (4 homework to be collected)</u> | 20% | Suggested homework is assigned for students to practice on. Throughout the semester, four homework will be collected and graded towards the semester grade. |
| <u>Exams (3 x 100 points each)</u> | 70% | Mid-terms is 30% Final is 40% |
| <u>Attendance/ Participation</u> | 10% | |
| Course Total | 100% | |

Grade Distribution:

| Percentage | Letter Grade | Grade Points |
|-------------------|---------------------|---------------------|
| 100-90 | A | 4.0 |
| 80-89 | B | 3.0 |
| 70-79 | C | 2.0 |
| 60-69 | D | 1.0 |
| 59 or below | F | 0.0 |

Attendance:

Students should attend class regularly, arrive on time and not leave early. While you are in class, show the proper respect to your instructor and to your classmates. When you must miss a class, it is your responsibility to get the class material from me or your classmates. Class attendance will be checked regularly. In the event of extended absence, students should report to instructor and/or academic dean for approval. Excessive absence may result in the course grade of "F".

Academic Honor Code:

The Code of Honor will be strictly applied. Honor Code pledges "I will not participate in or tolerate academic dishonesty." Students will not give or receive aid on exams. This includes, but is not limited to, viewing the exams of others, sharing answers with others, and using books or notes while taking the exam. You can collaborate to study your homework, but you have to submit your own completed homework to receive appropriate credit. Copying solutions from others, whether they are current or past, constitutes plagiarism.



| Week | Session | Day | Topic (s) | Chapter(s) | Homework |
|--------|---------|-----|--|--|----------------|
| Week 1 | 7/2 | M | Introduction of Financial Management | Ch. 1 | To be assigned |
| | 7/3 | T | Financial Statements, Taxes, and Cash Flow | Ch. 2 | |
| | 7/4 | W | Financial Statements, Taxes, and Cash Flow | Ch. 2 | |
| | 7/5 | TR | Financial Statements | Ch. 3 | |
| | 7/6 | F | Exercise and Practice | Ch. 1-3 | |
| Week 2 | 7/9 | M | Financial Statements | Ch. 3 | |
| | 7/10 | T | Time Value of Money | Ch. 4 | |
| | 7/11 | W | Time Value of Money | Ch. 4.5 | |
| | 7/12 | TR | Multiple Cash Flows / Discounted Cash Flow | Ch. 5 | |
| | 7/13 | F | Exercise and Practice | Ch. 3-5 | |
| Week 3 | 7/16 | M | Multiple Cash Flows / Discounted Cash Flow | Ch. 5 | |
| | 7/17 | T | Mid-term exam covering Ch. 1 to 5 | | |
| | 7/18 | W | Interest Rates and Bond Valuation | Ch. 6 | |
| | 7/19 | TR | Interest Rates and Bond Valuation | Ch. 6 | |
| | 7/20 | F | Exercise and Practice | Go through the Mid-term exam and Ch. 6 | |
| Week 4 | 7/23 | M | Stock Valuation | Ch. 7 | |
| | 7/24 | T | Stock Valuation | Ch. 7 | |
| | 7/25 | W | Capital Budgeting | Ch. 8 | |
| | 7/26 | TR | Capital Budgeting | Ch. 8 | |
| | 7/27 | F | Exercise and Practice | Ch. 7. 8 | |
| Week 5 | 7/30 | M | Cost of Capita | Ch. 9 | |
| | 7/31 | T | Risk and Return | Ch. 10 | |
| | 8/1 | W | Risk and Return | Ch. 11 | |
| | 8/2 | TR | Review | | |
| | 8/3 | F | Final Exam Covering Chapter 6-11 | | |