

## FNCE351: Fundamentals of Finance II

### College of Graduate and Continuing Studies, Norwich University

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#### Course Description

Capital is a scarce resource. Access to capital and its efficient use are critical to business success. This course explores how capital can be raised and allocated within corporations to the advantage of corporate shareholders. It's the field of corporate finance. At the end of course, you will know how to value a company. The topics we cover are important to all managers whether or not they specialize in finance. You will learn: (1) procedures for analyzing companies' financial data to determine how efficiently they have been run; (2) methods for projecting funding needs based on principles of good working capital management; (3) rules for choosing the maximal, safe, or optimal level of debt in the structure of capital used for funding company operations; (4) figuring the costs of the various types of funds that a company uses and its weighted average cost of capital; and (5) combine all the foregoing into a methodology, to wit, discounting free cash flows and adding salvage value, for establishing a company's value or price. Prerequisites: FNCE350: Fundamentals of Finance I.

#### Course Outcomes

At the end of this course, students will be able to:

- Apply the concept of time value of money in the valuation of corporate bond and stock.
- Review and build a financial statement and analyze how managers use financial statement to market investment decisions.
- Compute the cost of capital and apply the cost of capital concept in the process of capital budgeting.
- Determine the cash flow and risk of a corporate investment project.
- Assess how to plan on corporate growth in the short term and long term.
- Develop an understanding of and articulate the relationship between dividends, capital structure, and the firm's financing decisions.

#### Weekly Outline

Every week has a prescribed checklist of activities required to successfully complete the lesson. Follow this checklist, in the specified order, to complete each lesson.

Week	Topic	Requirements
Week 01	Introduction to Corporate Finance	MarketWatch Practice, Discussion, Quiz
Week 02	Financial Statement Analysis	MarketWatch Practice, Discussion, Quiz
Week 03	Long-term Financial Planning	Discussion, Mini Case 01, Quiz
Week 04	Valuation of Future Cash Flows	MarketWatch Practice, Discussion, Self-Test, Quiz
Week 05	Bond Valuation	Discussion, Self-Test, Quiz
Week 06	Stock Valuation	MarketWatch Practice, Discussion, Mini Case 02, Quiz
Week 07	Capital Budgeting: Net Present Value	Discussion, Self-Test, Quiz

## Required Textbooks

Textbooks required for this course include:

- eText: Ross, S., Westerfield, R., & Jordan, B. (2018). *Fundamentals of Corporate Finance* (12th ed.). New York, NY: McGraw-Hill.

Suggested supplemental materials: *The Wall Street Journal*, Financial pages of *New York Times*, and Value Line Reports.

\*See the [Required Readings](#) page for additional weekly course readings.

## Required Technology

You will need to use a financial calculator to complete some of your assignments for this course. You can purchase a Texas Instrument-BA II PLUS calculator or use a financial calculator app (such as EZ calculators).

## Course Components

This is a very fast-paced class. Your regular participation is essential to you passing this course. This includes participating in the weekly discussions, completing your quizzes, and timely submission of your written projects. Every week, you should follow this format:

- Complete your assigned readings
- Review the presentations for the week
- Start engaging in the discussion forum
- Complete your quiz at the end of the week

## **Quizzes**

The class includes seven quizzes that cover the concepts from your textbook readings. There will be 25 questions per quiz. The quizzes are timed (one hour). You are only allowed to take the quiz one time. The quiz will auto-submit at the end of the time limit even if you are not finished. A clock will show your remaining time in the upper left block and feedback will be provided after your quiz is submitted. When you are finished with each question, click Next. Check in the upper left to make sure you have answered all the questions or perform any review of questions. Submit your quiz using the Submit All and Finish button.

## **Mini Cases**

There will be two mini cases given throughout 8 weeks of our class. For each case, be sure to provide all of your calculations, Excel spreadsheets, etc. and answers in Times New Roman, 12 pt font, and double-spaced. Specific requirements will be provided in the assignment bin within the weekly module.

## Grades

The following table shows the graded assessment types contained within this course and the assigned weighting to determine the final course grade.

Graded Assessment Types	Points	Weights (%)

Discussions (8 at 30 points each)	240	24%
Quizzes (7 at 30 points each)	210	21%
Mini Cases (2 at 120 points each)	240	24%
<a href="#">Final Exam</a>	310	31%
Total	1000	100%

Letter grades for the course will be based on the following grading scale:

Letter Grade	Percentage	Grade Point
A	93-100%	4.0
A -	90-92.9%	3.7
B +	87-89.9%	3.3
B	83-86.9%	3.0
B -	80-82.9%	2.7
C +	77-79.9%	2.3
C	75-76.9%	2.0
C -	73-74.9%	1.7
D +	70-72.9%	1.3
D	67-69.9%	1.0
D-	63-66.9%	0.7
F	0-62.9%	0.0

For complete information on the Grading Policy, please refer to the [CGCS Online Catalog](#).

### [Discussion Groups](#)

Before submitting your first discussion post, please review the [Grading Guidelines and Rubrics](#) for more information about what is expected in regard to discussion postings and online etiquette.

### [Late Work](#)

It is important that writing assignments and discussion posts be completed on time. Extensions of deadlines will be given only for serious extenuating circumstances. In the absence of such extensions, assignments may be downgraded for lateness at the discretion of the instructor. You must contact your instructor ahead of time to request an extension.

### [Academic Honesty and the Norwich University Honor Code](#)

A student must submit work that represents the student's own original analysis and writing. Copying another's work is not appropriate. If the student relies on the research or writing of others, the student must cite those sources. Words or ideas that require citations include, but are not limited to all hardcopy or electronic

publications, whether copyrighted or not, and all verbal or visual communication when the content of such communication clearly originates from an identifiable source. While students are encouraged to seek editing feedback, extensive revisions of one's work by another person is considered a lack of academic honesty, as it is representing another student's work as one's own.

For more information see:

[Academic Dishonesty](#)

[Academic Integrity](#)

[Norwich University Honor Code](#)

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### **[Section 504 of the Rehabilitation Act of 1973/ADA](#)**

Please consult [Appendix H: University Policy - Section 504 of the Rehabilitation Act of 1973/Americans with Disabilities Act \(ADA\)](#) for instructions on obtaining an accommodation.

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Disclaimer: Please note the specifics of this Course Syllabus are subject to change. Students are responsible for abiding by any such changes. Your instructor will notify you of any changes.

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