

Financial Management (BUS 365)

Professor: Joung Hwa Choi

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Class Time: MoWe 10:30-11:50 AM

Classroom: TBA

Office hours: Fr 9:30 AM -12:30 PM

Course Description: The objective of this course is to introduce intermediate topics in corporate finance. Various financial management techniques and analyses for improving business decision-making will be explored in this course. Topics include project evaluation, debt and equity funding, capital structure, long and short-term financing decisions, payout policy, and risk management with derivatives. In addition, students will learn about implicit options embedded in many financial decisions. Topics on M&A may be covered with business cases.

Pre-requisites: ECO 108, BUS330

Textbook: The textbook for this course is Ross, Westerfield, Jordan, *Fundamentals of Corporate Finance*, McGraw Hill. Lecture notes and other materials related to the class can be downloaded from the blackboard.

Evaluation and Grading: Evaluation will be based on

Course Component	Weighting A (normal case)	Weighting B (who miss quiz)	Weighting C (who miss midterm or final exam)
Attendance	10%	10%	10%
Case Presentation (Peer Review)	15%	15%	15%
Midterm 1	25%	15%	25%
Midterm 2	25%	30%	20%
Final	25%	30%	30%
Class participation	upto 5 points to the final score (additionally)	upto 5 points to the final score (additionally)	upto 5 points to the final score (additionally)

Final Grade: At the end of the semester, students can pick the higher one for the final letter grade. The two letter grades are evaluated according to the following two schedules. +/0/- will be given at my disposal.

A	top 30% of the class	A	90 points and up
B	the next 35% of the class	B	75 to less than 90
C	the next 30% of the class	C	55 to less than 75
D&F	the rest	D&F	the rest

Course Outline

Week	Date	Financial Management (BUS 365)	Reading Assignment
Week 1	Aug. 29	Orientation	Ch. 14
	Aug. 31	Cost of Capital (Ch. 14)	
Week 2	Sep. 5 Sep. 7	Basics of Capital Budgeting	Ch. 10
Week 3	Sep. 12	Chuseok	
Week 4	Sep. 14 Sep. 19 Sep. 21	Capital Investment Decisions (Ch. 10)	Ch. 11
Week 5	Sep. 26 Sep. 28	Project Analysis and Evaluation (Ch. 11)	Case 1
Week 6	Oct. 3 Oct. 4	National Foundation Day	
	Oct. 5	CASE 1: HBC_Capital budgeting_presentation	
Week 7	Oct. 10	Substitute of Hangul Day	Ch. 15
	Oct. 12	Midterm 1	
Week 8	Oct. 17 Oct. 19	Rasing Capital (Ch. 15)	Ch. 16
Week 9	Oct. 24 Oct. 26	Financial Leverage and Capital Structure Policy (Ch. 16)	Case 2 Ch. 17
Week 10	Oct. 31 Nov. 2	Dividends and Payout Policy (Ch. 17)	
Week 11	Nov. 7 Nov. 9	CASE 2: HBC_IPO_presentation Midterm 2	Ch. 18
Week 12	Nov. 14 Nov. 16	Short-term Finance and Planning (Ch. 18)	Ch. 23
Week 13	Nov. 21 Nov. 23	Enterprise Risk Management (Ch. 23)	Ch. 24
Week 14	Nov. 28 Nov. 30	Options and Corporation Finance (Ch. 24)	Case 3
Week 15	Dec. 5		
	Dec. 7	CASE 3: HBC_Hedging_presentation	
Week 16		Final (TBD)	

Student Accessibility Support Center Statement

If you have a physical, psychological, medical, or learning disability that may impact your course work, please contact the Student Accessibility Support Center, Stony Brook Union Suite 107, (631) 632-6748, or at sasc@stonybrook.edu. They will determine with you what accommodations are necessary and appropriate. All information and documentation is confidential.

Academic Integrity Statement

Each student must pursue his or her academic goals honestly and be personally accountable for all submitted work. Representing another person's work as your own is always wrong. Faculty is required to report any suspected instances of academic dishonesty to the Academic Judiciary. Faculty in the Health Sciences Center (School of Health Technology & Management, Nursing, Social Welfare, Dental Medicine) and School of Medicine are required to follow their school-specific procedures. For more comprehensive information on academic integrity, including categories of academic dishonesty please refer to the academic judiciary website at http://www.stonybrook.edu/commcms/academic_integrity/index.html

Critical Incident Management

Stony Brook University expects students to respect the rights, privileges, and property of other people. Faculty are required to report to the Office of University Community Standards any disruptive behavior that interrupts their ability to teach, compromises the safety of the learning environment, or inhibits students' ability to learn. Faculty in the HSC Schools and the School of Medicine are required to follow their school-specific procedures. Further information about most academic matters can be found in the Undergraduate Bulletin, the Undergraduate Class Schedule, and the Faculty-Employee Handbook.