

**Bus 71a – Introduction to Finance**  
Brandeis University  
Summer Session II: July 6 to August 7, 2020  
Syllabus

Instructor: Yaxuan Wen (yaxuanwen@brandeis.edu)  
Office Hours: by appointment, via Zoom  
Class Time: M/T/Th 1:50 – 4:20 PM (Eastern Time), via Zoom  
Zoom Link for All Lectures: See Latte

Teaching Assistant: Rahul Chhugani (rgchhugani@brandeis.edu)  
Office Hours: Wednesdays, 3-6 pm ET; Zoom link on Latte

**I. Prerequisite:**

Bus 6a or equivalent; Bus 51a is a corequisite. This course may not be taken for credit by students who have previously taken Econ 171a. This course cannot be counted as an elective towards the economics minor or major.

**II. Course Objective:**

The primary objective of this course is to develop the financial skills and logical thought processes necessary to make and implement business decisions in a global environment. Upon successful completion of this course, students will have developed an understanding of key concepts of the financial environment within which management must operate, the processes of financial analysis, the time value of money, methods of stock and bond valuation and the relationship of valuation to risk and return. We will look at several basic questions:

- What functions do financial markets provide?
- How do firms use and deal with financial markets to raise capital?
- How do investors approach financial decisions?
- How do we value financial securities like stocks and bonds?

We will analyze how financial managers make decisions within a framework which emphasizes the time value of money and the relationship between expected return and risk. In addition, we will examine the techniques that financial managers use to evaluate feasibility of undertaking new projects (i.e., capital budgeting).

**III. Course materials:**

**Textbook:**

*Essentials of Corporate Finance*, 10th Edition, Ross, Westerfield, Jordan, McGraw-Hill, 2019.

Reading assignments should be completed *before* class. This course involves a lot of new concepts and terminology that may be difficult to internalize quickly. Therefore, reading before class and reinforcing after class will be critical to master the material in the short semester.

A digital version of the textbook is made available through the Brandeis Library ([link](#)). An older version of the textbook may be used as reference if you prefer reading hardcopies. If you are having difficulty purchasing course materials, please make an appointment with your Student Financial Services or Academic Services advisor to discuss possible funding options and/or textbook alternatives.

#### **Cases and Additional Readings:**

Will be electronically distributed via LATTE or email.

You are encouraged to keep up with current economic events by reading journals (e.g. the Wall Street Journal, the Financial Times, and The Economist) or following economics blogs and think tank websites (e.g. Urban Institute and Brookings). Subscription to many relevant publications are available through the Brandeis [Business & Economics Research Guide](#).

#### **IV. Assignments and Evaluation**

- (1) Problem sets (25 %). Problem sets will be assigned on most Mondays and Thursdays. Solutions will be made available soon after the due date. You are strongly encouraged to review the solutions promptly and ask questions.  
Problem sets are submitted on LATTE; only Word and PDF formats are accepted. You may type or handwrite your answers. If handwriting, please do so legibly, box final answers, and scan into PDF (for example, with Adobe Scan on your phone). Late problem sets will not be accepted. The lowest problem set grade will be dropped.  
Discussion with your classmates is allowed, but each student must independently write up their answers and submit problem sets individually on LATTE.
- (2) Short quizzes (20 %). Two open-note 30-min quizzes at the beginning of class on quiz dates.
- (3) Presentation (10 %). One 15-min group presentation on an assigned topic.
- (4) Final exam (35 %). A cumulative closed-book final exam will take place during [the final period](#). Logistic details will be announced in class. Absence from the final examination and the right to take a makeup examination are only permissible for documented medical reasons. More information about the summer school final exam policy can be found [here](#).
- (5) Participation (10 %). This course is primarily conducted through synchronous instruction during class time. Attendance is mandatory and in-class participation is highly valued. A LATTE forum will be available, where you can post questions, answer your classmates' questions, and initiate discussions. You are also encouraged to email me and the TA suggestions/questions and schedule Zoom appointment. All these aspects will contribute to your participation grade.

Your combined quiz and final exam grades will be the higher of the following two weighted averages.

- a. 20 % Quizzes + 35 % Final exam
- b. 55 % Final Exam

**V. Tentative Course Outline (subject to updates as the course progresses):**

Class	Topics	Written Assignments
1 Mon. 7/6	Introduction to the course Chapter 1-2	
2 Tue. 7/7	Chapter 2-3	PS 1 assigned
3 Thu. 7/9	Chapter 4	
4 Mon. 7/13	Chapter 5	PS 1 due, PS 2 assigned
5 Tue. 7/14	Chapter 6	
6 Thu. 7/16	Quiz 1, Chapter 7	PS 2 due, PS 3 assigned
7 Mon. 7/20	Chapter 8	PS 3 due, PS 4 assigned
8 Tue. 7/21	Chapter 9	
9 Thu. 7/23	Chapter 10	PS 4 due, PS 5 assigned
10 Mon. 7/27	Chapter 11	PS 5 due, PS 6 assigned
11 Tue. 7/28	Quiz 2, Chapter 12	
12 Thu. 7/30	Chapter 13	PS 6 due, PS 7 assigned
13 Mon. 8/3	Chapter 14	PS 7 due
14 Tue. 8/4	Chapter 15, review – last day of class	
Final Exam Fri. 8/7	Final Exam: 9 am - Noon	

**VI. Other Information****Accommodations**

Brandeis seeks to welcome and include all students. If you are a student who needs accommodations as outlined in an accommodations letter, please talk with me and present your letter of accommodation as soon as you can. I want to support you.

In order to provide test accommodations, I need the letter more than 48 hours in advance. I want to provide your accommodations, but cannot do so retroactively. If you have questions about documenting a disability or requesting accommodations, please contact Student Accessibility Support (SAS) at 781.736.3470 or [access@brandeis.edu](mailto:access@brandeis.edu).

**Academic Integrity**

You are expected to be familiar with and to follow the University's policies on academic integrity (see <http://www.brandeis.edu/studentlife/sdc/ai> ). Faculty will refer any suspected instances of alleged dishonesty to the Office of Student Development and Conduct. Instances of academic dishonesty may result in sanctions including but not limited to failure in the course, failure on the assignment in question, suspension from the University and/or educational programs.

**Communications**

LATTE is the Brandeis on-line course website. Course related announcements and any and all syllabus changes will be communicated via LATTE.

<http://latte.brandeis.edu>. Login using your UNET ID and password.

Due to the logistics of online meetings, I will not hold regular office hours. Instead, please email me to make an appointment, at least 24 hours in advance. Note that I will not be able to address all questions related to course materials via email; instead, please plan to meet me via Zoom as this is usually a more effective way to discuss.

### **Virtual Study Groups**

You may miss in-person study groups and interactions with your classmate: we can create the same experience remotely! I will send out a survey about your schedule and willingness to participate in virtual study groups at the beginning of the semester. Then I will assign 5-7 person groups based on your preferences. The idea is that the groups will organize study sessions autonomously. This is optional and serves as an opportunity for you to form some friendship, find accountability and a sounding board.

### **Workload Statement**

Success in this five-week, four-credit course is based on the expectation that students will spend a minimum of 36 hours of in-class and outside-of-class study time per week (e.g., doing the reading, reviewing lecture notes, working on problem sets).