



FIN 315-004: Fund of Corporate Finance

Spring 2025

(Updated on 1/21/2025)

Instructor: Jixing Li

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TA: Mritunjoy Paul (mp2362@njit.edu)

Class: Tue/Thu 10:00 am - 11:20 am

Classroom: In person - Guttenberg Information Technologies Center 1100

Instructor Office Hours: Tue/Thu 12:30 pm - 2:00 pm (Central Avenue Building 4023)

Office Hour Notes: It is better to send an email before stopping by; Virtual option is also available, the information is at the end.

TA Office Hours: Wed 4:00 pm - 5:00 pm (Central Avenue Building 2018, Cubicle 18)

Course Description:

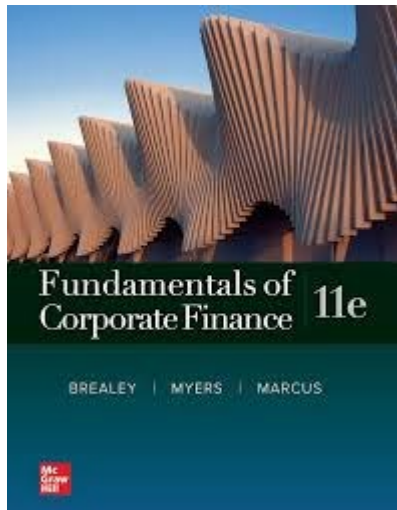
The objective of this course is to provide students with the financial skills needed to succeed in a career in finance, in addition to providing tools needed to make sound financial decisions. This course is designed to give students a basic understanding of corporate and personal financial management strategies. The course is also meant to help you understand how a firm makes investment, financing, and payout decisions.

Topics covered in this course include corporation and financial markets, accounting review, the time value of money, valuing bonds and stocks, NPV, IRR, and other investment criteria, using DCF to make investment decisions, CAPM and cost of capital, WACC, equity financing, debt financing, capital structure decisions, and dividend payout policy.

Course Materials:

Required Textbook: Brealey, Myers, and Marcus, **Fundamentals of Corporate Finance**, 11th Edition (Earlier editions also work),

ISBN-13: 978-1260013962, ISBN-10: 1260013960, McGraw Hill.



Optional Financial Newspapers: The Wall Street Journal, Financial Times

Other Materials: Slides and supplementary materials will be available through Canvas (<https://canvas.njit.edu/>).

Do not post or share course materials with outside parties.

Financial Calculator:

Required. Any calculator that can perform financial calculations is acceptable. Laptops and phones are not allowed to be used during exams. Recommended calculator models include Texas Instruments BA II Plus (including BA II Plus Professional) and Hewlett Packard 12C (including the HP 12C Platinum, 12C Platinum 25th anniversary edition, 12C 30th anniversary edition, and HP 12C Prestige). (<https://www.cfainstitute.org/about/governance/policies/cfa-calculator-policy>)

Here are some short videos to get you familiar with the financial calculator:

- Basic Calculations with Texas Instruments BA II Financial Calculator (https://www.youtube.com/watch?v=F7Lca9wy2qg&t=6s&ab_channel=365FinancialAnalyst)
- Time Value of Money Calculations with Texas Instruments BA II Financial Calculator (https://www.youtube.com/watch?v=LvrkxRcGDkU&ab_channel=365FinancialAnalyst)
- Solving Cash Flows Problems with Texas Instruments BA II Calculator (https://www.youtube.com/watch?v=x-_M11-xkFw&ab_channel=365FinancialAnalyst)

Grading:

Percent of Final Grade

- | | |
|-----------------------------|-----|
| 1. Class Participation | 5% |
| 2. In-class Handouts | 3% |
| 3. 12 Quizzes (2% each) | 24% |
| 4. 12 Discussions (1% each) | 12% |

5. 4 Problem Sets (6% each)	24%
6. Self-Review	2%
7. Midterm Exam	15%
8. Final Exam	15%
Total	100%
9. Bonus: Pop-up Quizzes	1% to 3%

Grading Scale (NO Curve):

A	90% - 100%
B+	85% - 89%
B	80% - 84%
C+	75% - 79%
C	70% - 74%
D	60% - 69%
F	Below 60%

Class Participation:

Your participation score is based on an overall assessment of your contribution to the class. Attendance is part of class participation and will be recorded intermittently. Other than attendance, you are encouraged to raise questions, answer questions, share thoughts, and discuss topics. Please be respectful of the learning environment in classroom.

In-class Handouts:

In lectures that focus on calculation (Lectures 2, 3, 5, 6, 8, 9, and 10). At the beginning of lecture, I will distribute handouts that include exercise questions we will cover in class. You can do the questions on your own or discuss them with your peers before I go over the answer. At the end of lecture, I will collect your handouts. As long as you have tried all questions, you will get full credit.

Quizzes:

Quizzes are delivered via Canvas. The format of quizzes is multiple-choice questions. Quizzes are available at the beginning of the week we cover the chapter(s) and must be completed by Sunday at 11:59 pm of that week. Students have **three** attempts at each quiz before its due date. There is a 20-minute time limit for each attempt. After each attempt, students will be told which questions they get correct, and which questions they get wrong. Only the highest score will be recorded.

Discussions:

Discussion postings are completed via Canvas. Actively participating in all discussions is the best way to help build a sense of community and collaboration. There will be a weekly topic related to the course content or something that extends the course content to the current business world.

Student original posts should be a minimum of 50 words and must be posted by Friday at 11:59 pm. So that other students have time to read your post. You will also need to respond to at least one post from other students in the open discussion thread. These responses should be a minimum of 20 words and must be posted by Sunday at 11:59 pm. In total, you need to have two posts each week.

Late posts will not be accepted.

Problem Sets:

Problem sets are delivered via Canvas. The format of problem sets is calculation questions (No need to show your work). Each problem set gives you two weeks to finish. Students have **unlimited** attempts at each problem set before its due date. There is no time limit for each attempt. After each attempt, students will be told which questions they get correct, and which questions they get wrong. In the new attempt, the questions will remain the same, but the numbers will change, so you need to understand the logic behind each question in order to get full credit. Only the highest score will be recorded.

Self-Review:

At the end of Week 10, you will complete a brief review of your class participation and a reflection on what you learned in the first half semester.

Exams:

Exams are in-person and **closed book**. The format of exams is multiple-choice, true/false, short-answer, and calculation (You need to show your work) questions. Students are only allowed to use financial calculators. Midterm exam covers Lectures 1 to 7. The time and location of midterm exam are 3/13 10:00 am - 11:20 am at Guttenberg Information Technologies Center 1100. Final exam is **not cumulative** and covers Lectures 8 to 14. The time and location of final exam are pending university arrangement and to be announced.

Schedule:

The course schedule should be viewed as the general framework within which we will work. The instructor reserves the right to adjust the material covered during the semester.

Class	Lecture	Reading	Assignments	Due
Week 1	-Introduction: About the Course -Lecture 1: Corporation and Financial Markets	Chapters 1 & 2	Academic Engagement	1/28 11:59 pm
Week 2	-Lecture 2: The Time Value of Money	Chapter 5	Quiz 1 Discussion 1	2/2 11:59 pm (Original Post: 1/31 11:59 pm)

Week 3	-Lecture 3: Valuing Bonds	Chapter 6	Quiz 2 Discussion 2 Problem Set 1	2/9 11:59 pm (Original Post: 2/7 11:59 pm)
Week 4	-Lecture 4: Accounting and Finance -Lecture 5: Valuing Stocks	Chapters 3 & 7	Quiz 3 Discussion 3	2/16 11:59 pm (Original Post: 2/14 11:59 pm)
Week 5	-Lecture 5: Valuing Stocks -Lecture 6: Net Present Value and Other Investment Criteria	Chapter 8	Quiz 4 Discussion 4	2/23 11:59 pm (Original Post: 2/21 11:59 pm)
Week 6	-Lecture 6: Net Present Value and Other Investment Criteria -Lecture 7: Using Discounted Cash-Flow Analysis to Make Investment Decisions	Chapter 9	Quiz 5 Discussion 5 Problem Set 2	3/2 11:59 pm (Original Post: 2/28 11:59 pm)
Week 7	-Lecture 7: Using Discounted Cash-Flow Analysis to Make Investment Decisions -Midterm Exam Review		Quiz 6 Discussion 6	3/9 11:59 pm (Original Post: 3/7 11:59 pm)
Week 8 (Thu: Midterm Exam)	-Lecture 8: Introduction to Risk, Return, and the Opportunity Cost of Capital -Midterm Exam	Chapter 11	Midterm Exam	3/13 10:00 am - 11:20 am @ Guttenberg Information Technologies Center 1100
Week 9	Spring Recess - No Class			
Week 10	-Lecture 8: Introduction to Risk, Return, and the Opportunity Cost of Capital -Lecture 9: Risk, Return, and Capital Budgeting	Chapter 12	Quiz 7 Discussion 7 Self-Review	3/30 11:59 pm (Original Post: 3/28 11:59 pm)
Week 11 (Thu: Wellness Day - No Class)	-Lecture 9: Risk, Return, and Capital Budgeting		Quiz 8 Discussion 8 Problem Set 3	4/6 11:59 pm (Original Post: 4/4 11:59 pm)
Week 12	-Lecture 10: The Weighted-Average Cost of Capital and Company Valuation	Chapter 13	Quiz 9 Discussion 9	4/13 11:59 pm (Original Post: 4/11 11:59 pm)
Week 13	-Lecture 10: The Weighted-Average Cost of Capital and Company Valuation	Chapter 14	Quiz 10 Discussion 10 Problem Set 4	4/20 11:59 pm (Original Post: 4/18 11:59 pm)

	-Lecture 11: Introduction to Corporate Financing			
Week 14	-Lecture 12: How Corporations Raise Venture Capital and Issue Securities -Lecture 13: Debt Policy	Chapters 15 & 16	Quiz 11 Discussion 11	4/27 11:59 pm (Original Post: 4/25 11:59 pm)
Week 15	-Lecture 13: Debt Policy -Lecture 14: Payout Policy	Chapter 17	Quiz 12 Discussion 12	5/4 11:59 pm (Original Post: 5/2 11:59 pm)
Week 16 (Thu: Reading Day - No Class)	-Final Exam Review			
Week 17	-Final Exam		Final Exam	To Be Announced

Important Dates:

Jan 27th: Last Day to Add/Drop a Class for 100% Refund

Feb 17th: Last Day to Withdrawal for 50% Refund

Mar 10th: Last Day to Withdrawal for 25% Refund

Apr 7th: Last Day to Withdraw from Classes

Academic Integrity:

“Academic Integrity is the cornerstone of higher education and is central to the ideals of this course and the university. Cheating is strictly prohibited and devalues the degree that you are working on. As a member of the NJIT community, it is your responsibility to protect your educational investment by knowing and following the academic code of integrity policy that is found at: [NJIT Academic Integrity Code](#).

Please note that it is my professional obligation and responsibility to report any academic misconduct to the Dean of Students Office. Any student found in violation of the code by cheating, plagiarizing or using any online software inappropriately will result in disciplinary action. This may include a failing grade of F, and/or suspension or dismissal from the university. If you have any questions about the code of Academic Integrity, please contact the Dean of Students Office at dos@njit.edu”

Requests for Absence Verification:

Students who miss class due to bereavement, medical concerns, military activity, legal obligations, or university-sponsored events must provide the Office of the Dean of Students (DOS) with official and

verifiable documentation related to the absences **within 14 days of the first date of absence** and complete an online [Student Absence Verification Request](#).

Student Absences for Religious Observance:

NJIT is committed to supporting students observing religious holidays. Students must notify their instructors in writing of any conflicts between course requirements and religious observances, ideally by the end of the second week of classes and no later than two weeks before the anticipated absence. For questions or additional guidance, please [review the policy](#) or contact the Office of Inclusive Excellence at inclusivexcellence@njit.edu.

Generative AI Policy:

Student use of artificial intelligence (AI) is permitted in this course for certain assignments and activities. It is not permitted to be used in responding to other student's original posts in **Discussions**, as doing so would undermine student learning and achievement of course learning outcomes. Additionally, if and when students use AI in this course, the AI must be cited as is shown within the [NJIT Library AI citation page](#) for AI. If you have any questions or concerns about AI technology use in this class, please reach out to your instructor prior to submitting any assignments.

Tips for Better Grades:

Grades are a reflection of the level of understanding of course content. Therefore, to achieve a grade of A or B+ in this class, students are expected to:

- Attend 100% of classes and be respectful to other students by turning off or muting your electronics.
- Turn in all course assignments in a timely and professional manner.
- Come to the TA and instructor's office hours if you have any questions.
- Take the bonus pop-up quizzes!

Email Etiquette:

- Put the course name FIN 315 on the subject line.
- Identify the subject of the e-mail with a brief but descriptive summary of the topic.
- I will try to reply to your email as soon as possible but it could also take up to 24 to 48 hours.

Virtual Office Hours:

Join Zoom Meeting

<https://njit-edu.zoom.us/j/4324855189?pwd=waRshamUGWeKabCjobhhBPNnPAioQR.1>

Meeting ID: 432 485 5189

Passcode: JixingZoom