



**CITY UNIVERSITY OF NEW YORK  
LEHMAN COLLEGE  
SCHOOL OF BUSINESS  
DEPARTMENT OF FINANCE, INFORMATION SYSTEMS AND ECONOMICS**

BBA 207 – HA81 PRINCIPLES OF FINANCE, FALL 2023.

**COURSE SYLLABUS**

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**INSTRUCTOR INFORMATION**

INSTRUCTOR:	Alexander Núñez-Torres, Ph.D.
POSITION:	Associate Professor
OFFICE:	Carman Hall, Room 376
OFFICE HOURS:	Tuesday: 3PM to 4PM, by appointment only
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**COURSE INFORMATION**

COURSE NUMBER - SECTION:	BBA 207 – HA81
TITLE:	Principles of Finance
CREDITS UNITS:	Three Units
CAREER:	Undergraduate

**COURSE ARRANGEMENT:**

Tuesday: 06:00 PM to 07:15 PM, **Carman 242**

**COURSE DESCRIPTION:**

Functions of financial markets and institutions, financial statement analysis, primary business structures, understanding of financing, dividend, and investment decisions, time value of money, investment decision rules and discounted cash flow valuation.

PREREQ: ECO 166,167 AND ACC 171

PREREQ: BBA 168 and 169 or ECO 166 and 167, ACC 171.

**COURSE OBJECTIVES:**

Upon successful completion of this course, the student will be able to:

1. Describe the important features of the types of firms, the financial manager place in it and the ethical issues they face.
2. Describe how a corporation analyzes the four main financial statements: Balance sheet, income statement, cash flows and statement of stockholder's equity
3. Compute time value of money and the valuation principle.
4. Describe bond terminology, how to compute the price and yield to maturity of a zero-coupon bond and coupon bonds.

5. Explain the investment decision rules and discounted cash flow valuations
6. Describe the basics of common stock, preferred stock and stock quotes
7. Explain the basics of risk and return

**LEARNING BLOCKS, MODULE and CHAPTER DESCRIPTIONS:**

This course is structured in learning blocks, and within, modules to better guide to the course topics. **The course components are lectures, assignments, quizzes and exams.**

For each block you will have a series of Modules that will instruct you to the learning objectives of this course. Each module has a corresponding lecture that contains the knowledge to be learned. This lecture, will serve not only as an information repository, but it will also serve a guide to walk the student through the module: It will indicate first, when to use the corresponding video-resources for the topics discussed in the lecture, second, when to stop to take a quiz of the knowledge obtained as well as indications to start the assignments and finally, when to take the exams.

This course is asynchronous, is not required that you do the assignments at a specific time, meaning that you will pace yourself. **However, the modules, quizzes, and assignments have due dates.** You will need to complete the modules before specific dates. **We will meet every Tuesday** to clarify all the subjects discuss in the videos and to provide explanations for the examples in the videos.

Below you will find a description of the learning blocks, each learning blocks shown correspond to the blocks on Blackboard:

**a) Corporate Finance and Financial Statement Analysis (Green Block)**

The first two modules of the course (“Corporate Finance and the Financial Manager” and “Introduction to Financial Statement Analysis”) are the foundation for this class. We will discuss the important features of the four main types of firms and their taxation, as well on how to make cross-sectional and time series analyses of the financial statements.

**b) Time value of Money and Bonds (Blue Block)**

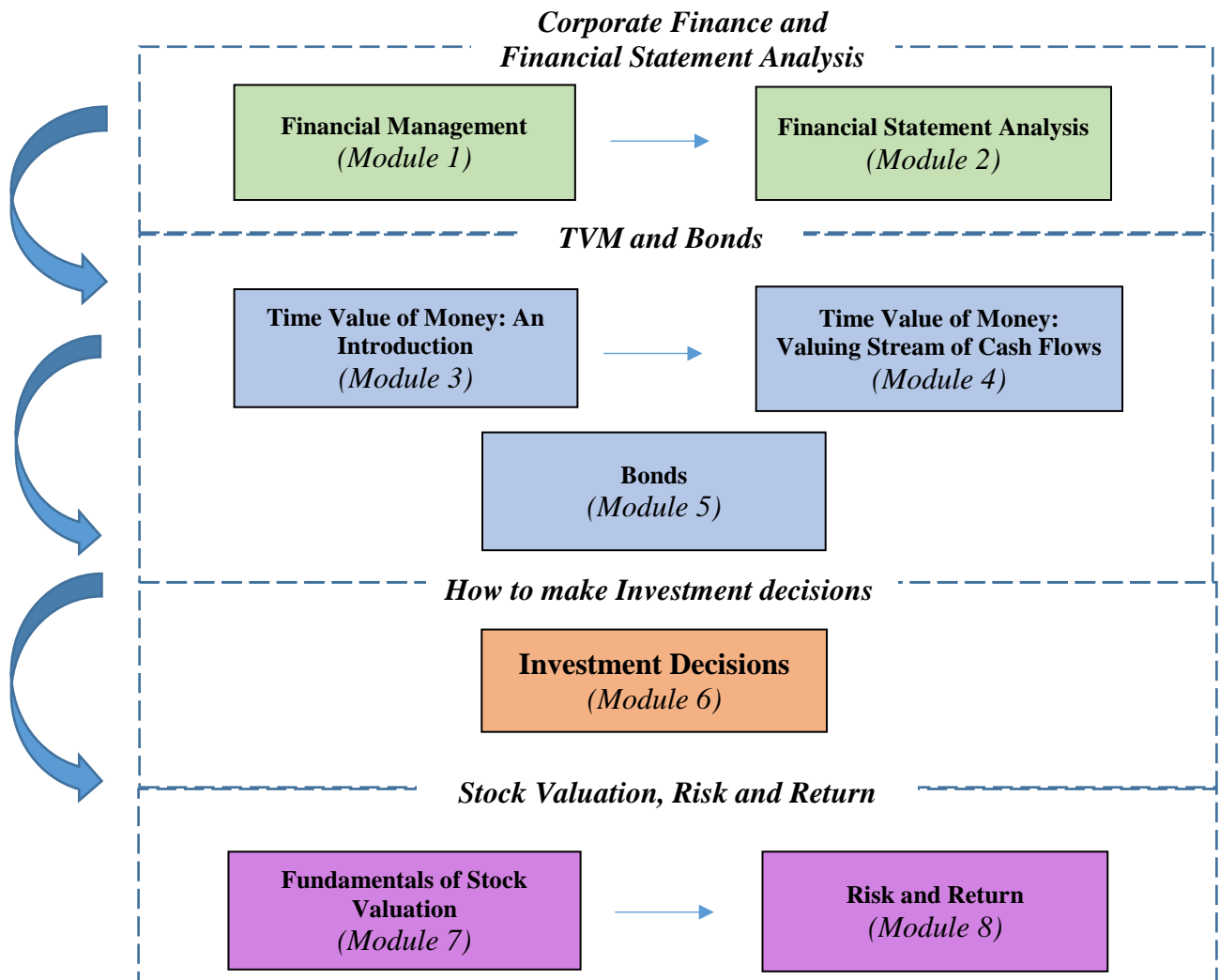
Arguably the most important topic of this class. We will start with explaining time value of money, and then valuating different cash flow streams. Finally, we will apply the knowledge for Bonds. We will use TVM for the remaining of the class.

**c) How to make financial decisions (Peach Block)**

We are applying Time Value of Money and other techniques to evaluate investments.

**d) Stock Valuation, Risk and Return (Purple Block)**

In this block we are going to introduce the topic of stock valuation, risk and return. We are going to study the variables that determine the risk and return of stocks. Additionally, we are going to discuss the historical tradeoff between risk and return. Finally, we are going to learn about diversification in stock portfolios.



Below a description of each of the modules/chapters:

### 1- Corporate Finance and Financial Management

In this lecture we are going to grasp the importance of financial information in both your personal and business lives. We are going to learn the important features of the four main types of firms. Then, understand the three main types of decisions a financial manager makes. Here, we are going to understand the tax implications for the different corporate entities.

### 2- Introduction to Financial Statement Analysis

After the introduction to the corporate finance and the financial manager role to financial decisions, we are going to discuss why the disclosure of financial information through financial statements is critical to investors. The function of the balance sheet, income statement, cash flows and statement of stockholder's equity will be discussed.

3- **Time Value of Money: An Introduction**

After we know about the analysis of financial statements. We are going to introduce the value of time when used to identify decisions that increase the value of the firm.

4- **Time Value of Money: Valuing Cash Flow Streams**

After the introduction, we are going to discuss how to value a series of cash flows, perpetuities, annuities, rates of return of a loan or investment.

5- **Bonds**

A bond is a debt investment in which an investor loans money to an entity (typically corporate or governmental) which borrows the funds for a defined period of time at a variable or fixed interest rate. We are going to discuss the bond terminology, how to compute the price and yield of the different types of bonds. Additionally, we are going to analyze why bond prices change over time and how credit risk affects a corporate bond.

6- **How to make Investment Decisions**

The following lectures present the current understanding of how make investment decisions and the valuation of a stock. We are going to discuss the Net Present Value rules, the alternative decision rules and how to choose between projects, either mutually exclusive projects, projects with different lives or limited resources.

7- **Fundamentals of Stock Valuation**

After learning how to make investment decisions, we are going to describe the basics of common stock, preferred stock, and stock quotes; understand the tradeoff between dividends and growth in stock valuation. Finally, learn how to value a stock as the present value of the company's total payout.

8- **Risk and Return**

What is risk? What is return? How are these two related? In this lecture we are going to study the variables that determine the risk and return of stocks. Additionally, we are going to discuss the historical tradeoff between risk and return. Finally, we are going to learn about diversification in stock portfolios.

**REQUIRED TEXTBOOK:**

**There is no required textbook** for this course. Original lecture chapters will be distributed to the students via Blackboard on a regular basis. You don't have to buy a textbook.

**USE OF TECHNOLOGY: BLACKBOARD, FINANCIAL CALCULATOR LEHMAN EMAIL:**

We use Blackboard for everything in this course. To post important course-related documents and materials (lectures, and chapters) such as the course syllabus (and any updates or changes to the syllabus), submitting assignments and solutions to the recommended homework (practice) problems. Some of the exams will be in Blackboard. Blackboard can be accessed through the Lehman College website: [www.lehman.cuny.edu](http://www.lehman.cuny.edu).

Since Blackboard is automatically linked to your Lehman College email account, and will serve as the principal method to communicate outside the classroom, **students are expected to check Blackboard** and their **Lehman College email account** on a regular basis.

If you have any questions about Blackboard and your Lehman College email account or your password, or if you have any problems accessing the site please call the computer helpdesk at 718-960-1111.

During the course, you will need a financial calculator. It is **required** that you bring the calculator to **all the class meetings**.

#### **GRADING POLICY:**

Grades will be determined by the following criteria:

- **Video lectures and attendance 5%:**

For the days that we are scheduled to meet, attendance is required (see Attendance policy from student book). Every class that we meet the professor will record the student's attendance. Students present at the beginning of the first 10 minutes of class until the end of it will receive full credit for that day. If you connect after the 10 minutes mark, your attendance for that day will count as a half credit (0.5). For all meetings, **it is suggested that you have access to the PPT lectures to the class in order to take notes.**

**For the days that we do not meet**, the attendance will be the average points for the respective statistics of the videos assigned for the module. The instructor will keep track of the statistics of the viewership of the videos.

The final grade on attendance correspond to the cumulative sum of the points the student obtained given throughout the course, divided by the total amount of cumulative points possible.

- **Assignments 25%:**

All the assignments are to be done individually, discussing with your colleagues is encouraged, but the assignments must be submitted individually. Instructions for all the assignments are in blackboard. **All assignment projects have due dates**, and they have a relationship with the quizzes, midterms and final.

Assignments are not timed, but they have to be submitted before the due date. After the due dates the assignments will be marked late and the student will lose 20% of its value. The last day to submit the assignment is the last day of class. (All assignments will be taken via blackboard and are due before 11:59pm of their respective assigned date).

You will have more than one attempt for the assignments, and they contain feedback for most of the problems in it. You can try the assignment, look at the feedback for the incorrect questions, and try again. In the end, the highest grade for the homework will count for your final score.

Keep in mind that the cumulative value of the assignments is 30% of your final grade.

- **Quizzes 25%:**

Quizzes are based on the assigned module readings, lectures, supplemental materials (the videos), and assignments related to the course. A total of 8 will be assigned for this class. **ALL Quizzes will be administered via blackboard, and they will have a specific amount of time for completion** (usually 35 minutes). You are **required to have a financial calculator available for all the quizzes**. After the timer for the quiz is depleted, the quiz will be auto-submitted. **After the quiz is submitted, the student cannot retake it.**

The idea of the quizzes is to test the new knowledge acquired in the lectures, video presentations and homework. It is **strongly** recommended that the student take the quizzes as soon as it is suggested in the module, and only after the student has completed the module assignment. Quizzes are individual, and it is **expected** that the student follow the Academic Integrity and Plagiarism Policy.

Each quiz is equally weighted when calculating the final distribution of the course grade. **No make-up quizzes nor additional assignments** will be administered for students who did not complete a quiz. **The quizzes have due date based on the modules**, that is, after the due date, the quizzes will be unavailable (See Module description).

- **Exams 35%:**

Exams are based on the assigned course readings, lectures and supplemental materials related to the course. A total of TWO exams will be assigned for this class. **ALL Exams will be administered via Blackboard**. You are **required to have a financial calculator or the use of a spreadsheet to all the exams**, other electronic devices are not permitted. **The exams are the only section of this course that have to be done at a specific date.** The dates of the Exams are the following:

MIDTERM: Thursday, October 12, between 10:00 AM and 10:00 PM

FINAL: Thursday, December 14, between 10:00 AM and 10:00 PM

Unless informed otherwise, **taking all the exams is required**, if you don't take one of the exams, you will receive a 0 and that score will count for the calculation of your final grade. **No make-up exams nor additional assignments** will be administered for students who did not complete an exam.

Each exam is equally weighted when calculating the final distribution of the course grade. **Both the Midterm and the Final are partial exams**, meaning that they will evaluate a specific number of modules. The following modules, assignments, quizzes correspond to each exam:

- **Bloomberg Market Concepts 10%:**

Bloomberg Market Concepts (BMC) is an 8-hour self-paced e-learning course that provides a visual introduction to the financial markets (usually takes up to 12 hours to complete). BMC consists of four modules — Economics, Currencies, Fixed Income and Equities — woven together from Bloomberg data, news, analytics and television. BMC is available online for a student rate of \$149 USD (professional rate of \$249 USD), however, *Lehman Students get access to it at no charge*. In order to complete the BMC, you will need to register using the terminal at the Leonard Lief Library, second floor Room 226A. Further instructions are provided in the Lehman’s Library website below. There you can find the Bloomberg Research Guide and the Lab hours:

<https://www.lehman.edu/library/bloomberg.php>

The code of the Bloomberg Class is **TPB7WR5GFS**.

Course Topics corresponding to each exam	
<b>Exam #1</b>	Module 1 Module 2 Homework #1 Homework #2
<b>Exam #2</b>	Module 3 Module 4 Module 5 Homework #3 Homework #4
<b>Exam #3</b>	Module 6 Homework #5
<b>Exam #4</b>	Module 7 Module 8 Homework #6

**COURSE EVALUATION AND GRADING SCALE:**

Grading Scale	
Score Range	Grade

<b>95.5 – 100</b>	<b>A</b>
<b>89.5 – 94.5</b>	<b>A-</b>
<b>84.5-89.5</b>	<b>B+</b>
<b>79.5 – 84.5</b>	<b>B</b>
<b>74.5 – 79.5</b>	<b>B-</b>
<b>69.5 – 74.5</b>	<b>C+</b>
<b>64.5 – 69.5</b>	<b>C</b>
<b>59.5 – 64.5</b>	<b>C -</b>
<b>54.5 – 59.5</b>	<b>D+</b>
<b>49.5 – 54.5</b>	<b>D</b>
<b>49 or lower</b>	<b>F</b>

**ACCOMMODATING DISABILITIES:**

Lehman College is committed to providing access to all programs and curricula to all students. Students with disabilities who may need classroom accommodations are encouraged to register with the Office of Student Disability Services. For more information, please contact the Office of Student Disability Services, Shuster Hall, Room 238, phone number, 718-960-8441.

**ATTENDANCE POLICY (FROM STUDENT HANDBOOK)**

Students are expected to attend classes regularly, and instructors are required to record attendance for grading and counseling purposes. Individual instructors, as well as departments or degree programs, may establish specific attendance requirements. Instructors have the right to weigh attendance and class participation in determining grades. It is the student’s responsibility to ascertain the effect attendance may have on the grade in a course. Students receiving financial aid must be certified as attending classes regularly for continuing eligibility.

**ACADEMIC CENTER FOR EXCELLENCE (ACE) & SCIENCE LEARNING CENTER (SLC)**

The Academic Center for Excellence (ACE) and the Science Learning Center (SLC) are two of the tutoring centers on campus. The ACE provides appointment based and drop-in tutoring in the humanities, social sciences, and writing, as well as general writing and academic skills workshops. The SLC provides drop-in tutoring for natural and computer science courses. To obtain more information about the ACE and the SLC, please visit their website at <http://www.lehman.edu/issp> or please a call to the ACE at 718-960-8175, and the SLC at 718-960-7707.

**ACADEMIC INTEGRITY AND PLAGIARISM POLICY**

Statement may be found in student handbook. For more information refer to <http://www.lehman.cuny.edu/student-affairs/documents/student-handbook-02.pdf>. While students are encouraged to work together in solving most of the class assignments, each student needs to hand in their individual work to receive a full grade.



Use of Artificial Intelligence (AI): While AI technologies are a powerful tool that can assist you in various academic tasks, it is important to note that its use is strictly prohibited for activities that involve academic dishonesty. Academic dishonesty includes, but is not limited to, using AI to complete assignments, tests, or quizzes on your behalf, plagiarizing or copying content generated by AI without proper attribution, or seeking answers to questions during exams. We encourage you to use AI responsibly, primarily as a tool for generating ideas, clarifying concepts, or seeking guidance on topics. Remember, academic integrity is fundamental to your growth and development as students. **Being caught cheating in an exam or assignment will result in a score of 0% in the exam/assignment and a final grade for the course of “F”.**

### **SPECIFIC POLICIES**

The instructor will be very respectful with each student. The same is expected from each student to all other classmates and to the instructor. **The use of laptops for activities unrelated to the course is not allowed during class.** Please **turn off** your cell phones during class.

**BBA 207 – HA81 Principles of Finance, Fall 2023: Suggested Weekly Calendar**

Session	Date	Topic/Assignments	Objectives	Student Assignments
Week 1	Tu – 08/29	Welcome and Introduction	Know each other; Describe the Syllabus and Schedule <b>Assign Homework #1, Quiz #1 available</b>	Enjoy and discuss
	Rest of the Week <b>ONLINE</b>	Corporate Finance and the Financial Manager	Discuss why we study finance, types of firms and the Financial Manager. types of firms and how they are taxed. We discuss the financial cycle, types of financial institutions and their role.	<b>Module 1</b> <b>Watch videos:</b> <b>Lecture 01: 01-08</b> <b>Due date: 09/04</b>
Week 2	Tu – 09/05	Corporate Finance and the Financial Manager.	We discuss Lecture 1, will work in Homework #1. <b>Assign Homework #2, Quiz #2 available</b>	Read Chapter 1. Solve problems, homework. <b>Homework #1 and Quiz #1 are due Wednesday 09/06</b>
	Rest of the Week <b>ONLINE</b>	Introduction to Financial Statement Analysis	We start the discussion about the financial statements and discuss the disclosure of financial information and the balance sheet. We introduce the Income Statement and the Statement of Cash Flows.	<b>Module 2</b> <b>Watch videos:</b> <b>Lecture 02: 01-10</b>
Week 3	Tu – 09/12	Introduction to Financial Statement Analysis.	We discuss Lecture 1, will work in Homework #2.	
	Rest of the Week <b>ONLINE</b>	Introduction to Financial Statement Analysis	We conclude the Financial Statement Analysis and the Financial Reporting in practice.	<b>Lecture 02 videos: 01-10</b> <b>Due date: 09/18</b> <b>Homework #2 and Quiz #2 are due Monday 09/18</b>
Week 4	Tu – 09/19	An Introduction to Time Value of Money.	Discuss the Role of the manager and the value of money. Discuss market price and the law of one price. Discuss the effect of the interest rate on the value of money. Valuation of Cash Flows <b>Assign Homework #3, Quiz #3 available</b>	Read Chapter 3. Start Chapter 4. <b>Module 3 discussion</b>
	Rest of the Week <b>ONLINE</b>	An Introduction to Time Value of Money. Time value of Money: Valuing Cash Flow Streams	Cost-Benefit Analysis, Market Price and the Valuation Principle, Interest Rates and TVM. <b>Assign Homework #4, Quiz #4 available</b>	<b>Homework #3 and Quiz #3 are due Friday 09/22</b>
Week 5	Tu – 09/26	Time value of Money: Valuing Cash Flow Streams	We are going to discuss Perpetuities, Annuities, growing cash flows and how to solve for different variables within these equations. We discuss Lecture 4, will work in Homework #4.	
	Rest of the Week <b>ONLINE</b>	Time value of Money: Valuing Cash Flow Streams		<b>Module 4</b> <b>Lecture 04 videos: 01-05</b> <b>Due date: 10/02</b> <b>Homework #4 and Quiz #4 are due Monday 10/02</b>
Week 6	Tu – 10/03	Discussion <b>Homework #1 – 4</b> <b>Quizzes #1 – 4</b>	Discussion <b>Homework #1 – 4</b> <b>Quizzes #1 – 4</b>	Ask questions and participate

**BBA 207 – HA81 Principles of Finance, Fall 2023: Suggested Weekly Calendar**

Session	Date	Topic/Assignments	Objectives	Student Assignments
	Rest of the Week <b>ONLINE</b>	Review Chapters 1 – 4		Review Modules 1 – 4
<b>Week 7</b>	Tu – 10/10	<b>No Class Scheduled</b>	<b>See Academic Calendar</b>	
	Th – 10/12 <b>ONLINE</b>	<b>Exam 1</b>	<b>Exam 1 Online</b>	<b>Modules #1 – 4: Read Chapters, Homework and Quizzes #1 – 4</b>
<b>Week 8</b>	Tu – 10/17	Exam 1 Review. Bonds	Exam 1 Review. Introduction to Bonds. Bonds Terminology. <b>Assign Homework #5, Quiz #5 available</b>	Review Exam 1. Start with Bonds
	Rest of the Week <b>ONLINE</b>	Bonds	We are going to discuss zero-coupon bonds and coupon bonds.	<b>Module 5</b> <b>Watch videos:</b> <b>Lecture 02: 01-09</b> <b>Due date: Monday 10/23</b>
<b>Week 9</b>	Tu – 10/24	Bonds	Finalize the discussion of bonds. We discuss Lecture 5, will work in Homework #5.	
	Rest of the Week <b>ONLINE</b>	Bonds		<b>Homework #5 and Quiz #5 are due Monday 10/30</b>
<b>Week 10</b>	Tu – 10/31	Investment Decision Rules	We are going to discuss methods to accept/reject a project. <b>Assign Homework #6, Quiz #6 available</b>	<b>Module 6</b>
	Rest of the Week <b>ONLINE</b>	Investment Decision Rules	We are going to discuss how to choose between projects	<b>Module 6</b> <b>Watch videos:</b> <b>Lecture 02: 01-10</b> <b>Due date: 11/06</b>
<b>Week 11</b>	Tu – 11/07	Investment Decision Rules	Finalize the discussion of Investment Decision Rules. We discuss Lecture 6, will work in Homework #6.	Solve problems, homework. Discuss
	Rest of the Week <b>ONLINE</b>	Investment Decision Rules		<b>Homework #6 and Quiz #6 are due Monday 11/13</b>
<b>Week 12</b>	Tu – 11/14	Introduction to Stock Valuation	Introduction to Stock Valuation: Stock Basics. We are going to discuss the mechanics of Stock Trades. <b>Assign Homework #7, Quiz #7 available.</b>	<b>Module 7</b> <b>Watch videos:</b> <b>Lecture 07: 01-08</b>
	Rest of the Week <b>ONLINE</b>	Introduction to Stock Valuation	Module 7 videos	<b>Module 7</b> <b>Watch videos:</b> <b>Lecture 07: 01-08</b> <b>Due date: 11/20</b>
<b>Week 13</b>	Tu – 11/21	Introduction to Stock Valuation.	Finalize the discussion of Introduction to Stock Valuation. We discuss Lecture 7, will work in Homework #7.	Solve problems, homework. Discuss. <b>Homework #7 and Quiz #7 are due Monday 11/27</b>
	Th – 11/23	<b>No Class Scheduled</b>	<b>See Academic Calendar</b>	
<b>Week 14</b>	Tu – 11/28	Risk and Return in Capital Markets	The Historical Tradeoff Between Risk and Return. Common versus Independent Risk. Diversification	<b>Module 8</b>

**BBA 207 – HA81 Principles of Finance, Fall 2023: Suggested Weekly Calendar**

Session	Date	Topic/Assignments	Objectives	Student Assignments
			in Stock Portfolios. <b>Assign Homework #8, Quiz #8 available.</b>	
	Rest of the Week <b>ONLINE</b>	Risk and Return in Capital Markets	Module 8 videos	<b>Module 8</b> <b>Watch videos:</b> <b>Lecture 08: 01-07</b> <b>Due date: 12/04</b>
<b>Week 15</b>	Tu – 12/05	Risk and Return in Capital Markets	Finalize the discussion of Risk and Return in Capital Markets. We discuss Lecture 8, will work in Homework #8.	Solve problems, homework. Discuss.
	Rest of the Week <b>ONLINE</b>	Risk and Return in Capital Markets		<b>Homework #8 and Quiz #8 are due Monday 12/11</b>
<b>Week 16</b>	Tu – 12/12	Discussion <b>Homework #5 – 8</b> <b>Quizzes #5 – 8</b>	Discussion <b>Homework #1 – 4</b> <b>Quizzes #1 – 4</b>	Ask questions and participate

**BBA 207 – HA81 Principles of Finance, Fall 2023: Due dates**

Module	Number of Videos	Videos due date	Homework & Quiz due date
<b>Module 1</b>	8 videos	Monday September 04	Wednesday September 06
<b>Module 2</b>	10 videos	Monday September 18	Monday September 18
<b>Module 3</b>	N/A	N/A	Friday September 22
<b>Module 4</b>	5 videos	Monday October 02	Monday October 02
<b>Module 5</b>	9 videos	Monday October 23	Monday October 30
<b>Module 6</b>	10 videos	Monday November 06	Monday November 13
<b>Module 7</b>	8 videos	Monday November 20	Monday November 27
<b>Module 8</b>	7 videos	Monday December 04	Monday December 11