



Course FIN 6350: Advanced Financial Management
Section 001
Professor Dr. Carolyn Reichert
Term Spring 2013
Meetings Tuesday 1:00 – 3:45 pm in JSOM 2.103

Instructor Contact Information

Office Phone	972.883.5854
Other Phone	469.323.6946 (C)
Office Location	JSOM 3.423
Email Address	carolyn@utdallas.edu
Office Hours	Tuesday and Thursday 11am -12 pm and by appointment
Other Information	E-mail is the best way to contact me. You are welcome to email me at any time and I will respond as soon as I am able to do so.

Course Pre-requisites, Co-requisites, and/or Other Restrictions:

FIN 6301 is a prerequisite for this course.

Course Description:

Advanced analysis of topics in financial management. Capital structure, dividend policy, incentives, and risk management. Topics may vary.

This course starts where Finance 6301 typically ends. Additional topics include financial analysis and planning, business valuation, short and long -term financial management, mergers and acquisitions and corporate restructuring.

Learning Outcomes:

1. Value a firm using different methodologies.
 2. Evaluate different options for financing the assets of a firm: their costs and benefits.
 3. Evaluate different strategies for managing the current and long-term assets of the firm.
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Required Textbooks and Materials

Students should choose a full version finance textbook that covers all the topics listed in the syllabus. Some examples include:

- *Intermediate Financial Management (IFM)*, E. Brigham and P. Daves, Thomson South-Western (11th edition, 2013).

- *Financial Management Theory and Practice*, 14th, E. Brigham and M. Ehrhardt, Southwestern Publishing, 2013.
- *Corporate Finance*, 3rd, Berk and DeMarzo, Pearson-Prentice Hall, 2014.
- *Corporate Finance*, 10th edition, Ross, Westerfield and Jaffe, McGraw-Hill, 2013.
- *Principles of Corporate Finance*, 11th edition, Brealey, Myers and Allen, McGraw- Hill, 2014.

Note: The text should NOT have “Focused” or “The Core” in the title. The “Focused” or “The Core” texts contain fewer chapters and will not include some (or most) of the topics covered in this course.

A financial calculator and access to MS Excel are required. The course involves substantial statistical and financial calculations. Recommended calculators include the HP-10BII, HP-12C, TI BAII Plus, or the TI BAII Plus Professional. These calculators can be used on most certification exams (e.g., CFA, FRM, CPA, etc.). If you use a calculator, then you will be responsible for knowing how to use it. I recommend you bring the calculator to class since there will be occasions to use it. You will only be allowed to use a financial calculator on the exams.

Excel: You will find it in your interest to learn how to use spreadsheets to solve financial problems, particularly if you decide to pursue a career in finance or accounting. Good books to learn such skills for corporate finance are: (1) *Spreadsheet Modeling in Corporate Finance*, by Craig Holden, Prentice-Hall, or (2) *Financial Modeling*, by S. Benninga, The MIT Press.

The Wall Street Journal is optional but highly recommended since we will discuss current business news.

Lecture Schedule* : Tuesday at 1 pm.

Class	Topic[†]
1/14	Review and Assessment
1/21	Financial Forecasting
1/28	Firm Valuation
2/4	Options
2/11	Capital Structure
2/18	Cost of Capital
2/25	Raising Equity Capital
3/4	Mid-term exam
3/11	Spring Break
3/18	Shareholder Compensation
3/25	Raising Debt Capital
4/1	Leasing and Hybrids
4/8	Working Capital Management
4/15	Mergers, Acquisitions and Restructurings
4/22	International Financial Management
4/29	Risk Management
5/6	Final Exam: Location and Time to be announced

***These descriptions and timelines are subject to change at the discretion of the Professor.**

[†]The chapters to read are listed in a separate spreadsheet. You would select the chapters that are appropriate for your textbook.

You are *expected* to have read the text material prior to class. I will provide additional information about the lectures on eLearning prior to class. While I will discuss some problems, I recommend that you work as many as you need to learn the material. I will provide solutions to selected questions and problems on eLearning to help you.

Grading Policy

Your course grade is a weighted average of your scores on the assigned material. The weights are:

Presentations:	25%
Participation:	15%
Exam 1:	30%
Exam 2:	30%

Course grades are based on standard university scale: A, A-, B+, B, B-, C+, C and F. There is no A+ or C-.

Presentations: You will participate in group projects with class presentations. They will be assigned in class for the next class. While all groups are responsible for these projects, I will only call on a single group to present their work to the class for discussion.

- Peer evaluations will be used to assess your contribution to the group performance. Poor results on the peer evaluation can affect your presentation grade.

Participation: You will be evaluated on your contribution to class discussions (both of lecture topics and of presentations by other groups), your performance on in-class quizzes and providing other information as specified in class.

- Contribution to class discussions will be based on answering questions. I expect you to come to class prepared to discuss the material and answer in-class questions. If you do not understand the material, then you are responsible for telling me and asking for further clarification.
- Quizzes may be given at any time in any class. There will be several quizzes during the course, and the lowest grade on the quizzes will be dropped. This means you can miss one quiz without penalty. If you need to miss more than one quiz, then you need to contact me.
- Providing other information as specified in class. This includes completing peer evaluations, completing any surveys or providing any supplemental materials (such as current business news) as specified in class. Additional instructions on this will be provided in class.

Exams (Midterm, Final): Examinations test your knowledge on the theories, practices and analytical methods of financial management. Exam material comes from class lectures and class discussion. All individual examinations should be entirely your own work. I will provide a formula sheet for you to use.

As with professional certification, you can only use a financial calculator for the exams. No other electronics are allowed for the exam. Cell phones, PDAs, notebooks, MP3 players, calculators that store text and any other wireless communication devices are NOT allowed and should be turned off and put away for the exams. Exams are closed book and closed note. This can be modified at the discretion of the instructor.

Course & Instructor Policies

E-learning: You should check E-learning before class. The site will have lecture information, the team project, any recommended practice problems and any updates to the class material. You are responsible for the material on-line and in-class.

Make-up exams: No make-up exams will be given unless the student (1) obtains advance permission from the instructor, and (2) has a legitimate reason for missing the examination. Supporting documentation may be required.

Late work: Late work will only be accepted with prior permission of the instructor.

Extra credit: There are no planned extra credit assignments for this class.

Class attendance: Attendance at all classes is expected unless there are compelling reasons that prohibit attendance. Students are responsible for all material covered in any missed class.

Classroom citizenship: Students are expected to follow the student code of conduct at all times. You may not use your cell phone or other electronic communication devices during class. Laptops are permitted only for taking class notes. You are expected to behave in a courteous and professional manner. Behave as you would want me or another to behave towards you if our positions were reversed. However, should you fail to behave in a manner that I find acceptable, then do not be surprised if I ask you change your behavior.

Academic Honesty: No cheating will be tolerated in this class. Cheating includes plagiarism from others or plagiarism from your own papers, sharing information, talking during a test, taking additional time than allowed, falsifying documents or any other way of getting information from a source that is not allowed or is not cited or any other form of cheating listed under the University Policy (<http://www.utdallas.edu/judicialaffairs/index.html>). This course will use the resource turnitin.com which searches the web for possible plagiarism and is over 90% effective. Any suspicion of cheating will be reported to Judicial Affairs and if you are found responsible, the recommendation will be to follow these guidelines:

- An infraction that a student is found responsible for but is minor AND was unintentional, the recommendation is one letter grade adjustment to the paper/exam.
- A moderate infraction will result in an F in the exam or project.
- Any student found responsible for a major infraction or a second infraction of any severity, will be disciplined with an F in this course.

Please note that if you are suspected of cheating and your case is in Judicial Affairs at the time of reporting grades, your grade will be "NR". If an employer requires this course or the completion of a degree, this could delay the finalization of the grade by an undetermined amount of time and threaten that employment. In the case of an NR, the student will be responsible for ensuring the grade change is submitted.

Field Trip Policies

Off-campus Instruction and Course Activities

Off-campus, out-of-state, and foreign instruction and activities are subject to state law and University policies and procedures regarding travel and risk-related activities. Information regarding these rules and regulations may be found at the website address http://www.utdallas.edu/BusinessAffairs/Travel_Risk_Activities.htm. Additional information is available from the office of the school dean. Below is a description of any travel and/or risk-related activity associated with this course.

Student Conduct & Discipline

The University of Texas System and The University of Texas at Dallas have rules and regulations for the orderly and efficient conduct of their business. It is the responsibility of each student and each student organization to be knowledgeable about the rules and regulations which govern student conduct and activities. General information on student conduct and discipline is contained in the UTD publication, *A to Z Guide*, which is provided to all registered students each academic year.

The University of Texas at Dallas administers student discipline within the procedures of recognized and established due process. Procedures are defined and described in the *Rules and Regulations, Board of Regents, The University of Texas System, Part 1, Chapter VI, Section 3*, and in Title V, Rules on Student Services and Activities of the university's *Handbook of Operating Procedures*. Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations (SU 1.602, 972/883-6391).

A student at the university neither loses the rights nor escapes the responsibilities of citizenship. He or she is expected to obey federal, state, and local laws as well as the Regents' Rules, university regulations, and administrative rules. Students are subject to discipline for violating the standards of conduct whether such conduct takes place on or off campus, or whether civil or criminal penalties are also imposed for such conduct.

Academic Integrity

The faculty expects from its students a high level of responsibility and academic honesty. Because the value of an academic degree depends upon the absolute integrity of the work done by the student for that degree, it is imperative that a student demonstrate a high standard of individual honor in his or her scholastic work.

Scholastic dishonesty includes, but is not limited to, statements, acts or omissions related to applications for enrollment or the award of a degree, and/or the submission as one's own work or material that is not one's own. As a general rule, scholastic dishonesty involves one of the following acts: cheating, plagiarism, collusion and/or falsifying academic records. Students suspected of academic dishonesty are subject to disciplinary proceedings.

Plagiarism, especially from the web, from portions of papers for other classes, and from any other source is unacceptable and will be dealt with under the university's policy on plagiarism (see general catalog for details). This course will use the resources of turnitin.com, which searches the web for possible plagiarism and is over 90% effective.

Email Use

The University of Texas at Dallas recognizes the value and efficiency of communication between faculty/staff and students through electronic mail. At the same time, email raises some issues concerning security and the identity of each individual in an email exchange. The university encourages all official student email correspondence be sent only to a student's U.T. Dallas email address and that faculty and staff consider email from students official only if it originates from a UTD student account. This allows the university to maintain a high degree of confidence in the identity of all individual corresponding and the security of the transmitted information. UTD furnishes each student with a free email account that is to be used in all communication with university personnel. The Department of Information Resources at U.T. Dallas provides a method for students to have their U.T. Dallas mail forwarded to other accounts.

Withdrawal from Class

The administration of this institution has set deadlines for withdrawal of any college-level courses. These dates and times are published in that semester's course catalog. Administration procedures must be followed. It is the student's responsibility to handle withdrawal requirements from any class. In other words, I cannot drop or withdraw any student. You must do the proper paperwork to ensure that you will not receive a final grade of "F" in a course if you choose not to attend the class once you are enrolled.

Student Grievance Procedures

Procedures for student grievances are found in Title V, Rules on Student Services and Activities, of the university's *Handbook of Operating Procedures*.

In attempting to resolve any student grievance regarding grades, evaluations, or other fulfillments of academic responsibility, it is the obligation of the student first to make a serious effort to resolve the matter with the instructor, supervisor, administrator, or committee with whom the grievance originates (hereafter called "the respondent"). Individual faculty members retain primary responsibility for assigning grades and evaluations. If the matter cannot be resolved at that level, the grievance must be submitted in writing to the respondent with a copy of the respondent's School Dean. If the matter is not resolved by the written response provided by the respondent, the student may submit a written appeal to the School Dean. If the grievance is not resolved by the School Dean's decision, the student may make a written appeal to the Dean of Graduate or Undergraduate Education, and the dean will appoint and convene an Academic Appeals Panel. The decision of the Academic Appeals Panel is final. The results of the academic appeals process will be distributed to all involved parties.

Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations.

Incomplete Grade Policy

As per university policy, incomplete grades will be granted only for work unavoidably missed at the semester's end and only if 70% of the course work has been completed. An incomplete

grade must be resolved within eight (8) weeks from the first day of the subsequent long semester. If the required work to complete the course and to remove the incomplete grade is not submitted by the specified deadline, the incomplete grade is changed automatically to a grade of F.

Disability Services

The goal of Disability Services is to provide students with disabilities educational opportunities equal to those of their non-disabled peers. Disability Services is located in room 1.610 in the Student Union. Office hours are Monday and Thursday, 8:30 a.m. to 6:30 p.m.; Tuesday and Wednesday, 8:30 a.m. to 7:30 p.m.; and Friday, 8:30 a.m. to 5:30 p.m.

The contact information for the Office of Disability Services is:
The University of Texas at Dallas, SU 22
PO Box 830688
Richardson, Texas 75083-0688
(972) 883-2098 (voice or TTY)

Essentially, the law requires that colleges and universities make those reasonable adjustments necessary to eliminate discrimination on the basis of disability. For example, it may be necessary to remove classroom prohibitions against tape recorders or animals (in the case of dog guides) for students who are blind. Occasionally an assignment requirement may be substituted (for example, a research paper versus an oral presentation for a student who is hearing impaired). Classes enrolled students with mobility impairments may have to be rescheduled in accessible facilities. The college or university may need to provide special services such as registration, note-taking, or mobility assistance.

It is the student's responsibility to notify his or her professors of the need for such an accommodation. Disability Services provides students with letters to present to faculty members to verify that the student has a disability and needs accommodations. Individuals requiring special accommodation should contact the professor after class or during office hours.

Religious Holy Days

The University of Texas at Dallas will excuse a student from class or other required activities for the travel to and observance of a religious holy day for a religion whose places of worship are exempt from property tax under Section 11.20, Tax Code, Texas Code Annotated.

The student is encouraged to notify the instructor or activity sponsor as soon as possible regarding the absence, preferably in advance of the assignment. The student, so excused, will be allowed to take the exam or complete the assignment within a reasonable time after the absence: a period equal to the length of the absence, up to a maximum of one week. A student who notifies the instructor and completes any missed exam or assignment may not be penalized for the absence. A student who fails to complete the exam or assignment within the prescribed period may receive a failing grade for that exam or assignment.

If a student or an instructor disagrees about the nature of the absence [i.e., for the purpose of observing a religious holy day] or if there is similar disagreement about whether the student has been given a reasonable time to complete any missed assignments or examinations, either the student or the instructor may request a ruling from the chief executive officer of the institution, or his or her designee. The chief executive officer or designee must take into account the

legislative intent of TEC 51.911(b), and the student and instructor will abide by the decision of the chief executive officer or designee.
