



## FIN 3390: Introduction to Financial Modeling

### Spring 2024 Course Syllabus

#### Course & Instructor Information

Course:	FIN 3390: Introduction to Financial Modeling
Instruction modality:	Traditional on-campus course
Term:	January 16 – May 10 (16 weeks)
Day/Time:	Tuesday & Thursday 2:30 pm - 3:45 pm (003), 5:30 pm - 6:45 pm (501)
Location	<a href="#">JSOM 11.202</a> (003) <a href="#">JSOM 12.202</a> (501)
Instructor:	Hiro Nishi
E-mail:	<a href="mailto:hiro.nishi@utdallas.edu">hiro.nishi@utdallas.edu</a> (I will respond to your emails within 24 hours on Monday – Friday)
Phone:	(972) 883-5893
Office:	JSOM 14.328
Teaching assistant:	Isha Bhawe
E-mail:	<a href="mailto:ishaswanand.bhave@UTDallas.edu">ishaswanand.bhave@UTDallas.edu</a>
Virtual tutoring hours	Monday & Saturday from 2:00 pm - 3:30 pm, or by appointment
(MS Teams):	The MS Teams link is available in eLearning.

#### Course Prerequisite

Prerequisites: FIN 3320 and ITSS 3300 and (MATH 1326 or MATH 2414 or MATH 2419 or OPRE 3340) and (MATH 2333 or MATH 2418 or CS 2305 or OPRE 3333) and (OPRE 3360 or STAT 3360 or STAT 4351)

#### Course Description

FIN 3390 is designed to help students develop the ability to use quantitative methods and software (particularly spreadsheet) for financial decision making.

#### Student Learning Outcomes (SLOs)

- SLO #1: Student will effectively use financial concepts and computer software (e.g., spreadsheets, etc.) to build basic financial models to solve financial problems.
- SLO #2: Student will be able to use computer software to solve various time value of money and valuation problems.
- SLO #3: Student will be able to utilize computer software to analyze strategic investments in real and financial assets.

## Course Materials

In this course, you need the following materials:

a) **Recommended Textbook**

Financial Analysis with Microsoft Excel (8th/9th Edition) by Mayes and Shank

- You may obtain a newer or older edition of the book instead.



b) **Microsoft Excel**

You are required to bring with you, to every class meeting, a laptop computer (preferably a Windows-based PC) loaded with Microsoft Excel. This is imperative since most of the work in this course requires the use of a computer.

- We will also use MS Excel add-ins, such as Data Analysis and Solver.



c) **Texas Instrument BA II**

I may use the BA II Plus financial calculator during the lecture for the comparison purpose.

d) **Lecture Note**

For each chapter, a short lecture note made by the instructor is available in eLearning.

## Course Components

### Exams

There will be **three (3) Excel-based exams**. The third one is **comprehensive** (all chapters included). Each of the first two exam is worth 100 points, and the third exam is worth 150 points.

A. Academic dishonesty

- All exams will be **closed-book exams**. You need to complete a test with no outside resources, such as your own Excel file or the Internet. Some formulas will be provided by the instructor.
- You will only be allowed to open the exam file downloaded from eLearning.** Please be aware that, if you have more than one Excel file open during the exam, the Testing-Center staff will consider that to be cheating.

B. Location of the exam

- All the students must take each of the exams at the UTD Testing Center. You will not be allowed to sit for the test without a reservation (no walk-ins). The Testing Center requires that **reservations be made at least 48 hours (2 days) prior to the exam**. Link to reserve a seat: <https://ets.utdallas.edu/testing-center/students/>
- Make reservations for all the three exams. The exam name is something like: "FIN 3390.003/501 – Exam 1"
- The Testing Center will send you an immediate email confirmation to validate your reservation. **You must save the confirmation.**
- Note that the Testing Center requires that you show **your Comet ID card** to be admitted into the exam room.

**Attendance**

I will be taking attendance approximately 10 times during the semester. I will not announce when I will take attendance. This is intended not only to encourage your attendance but also to boost your overall semester grade.

- You will earn up to 50 points for the semester, no matter how many times I take attendance during the semester.
- I will drop up to two “missed” attendance. For example, if I take attendance for a total of 10 class sessions during the semester and you miss two of them, you will still earn 50 points. However, if you miss three of these sessions, you will earn  $(50 \div 8) \times 7 = 43.75$  points.

**Practice Problems**

There will be a practice problem set for each chapter. These can be useful sources to prepare for an exam. These problems are not for grading, and you are not required to submit them.

**In-Class Exercises**

We will do in-class exercises, using Excel, after each chapter.

**Course Schedule**

- The course materials are subject to change at the instructor’s discretion.
- Each of the exams **will only be administered at the Testing Center on the date specified below**. You may take an exam any time during the Testing Center’s hours of operation on each day.  
<https://ets.utdallas.edu/testing-center>

**Part 1: Capital Budgeting**

Week	Topics	Textbook chapter
1	1/16: Class cancelled due to hazardous weather conditions. 1/18: Will go over the course syllabus.	
2	<b>Time Value of Money</b> Lump sums, annuities, amortization, etc.	Chapter 8
3	<b>Capital Budgeting</b> <ul style="list-style-type: none"> <li>• NPV, IRR, depreciation, pro-forma financial statement, etc.</li> </ul>	Chapter 12
4	Capital Budgeting (cont.)	
5	<b>Risk and Capital Budgeting</b> What-If Analysis in Excel, break-even analysis, etc.	Chapter 13
6	Exam review (2/20)	
6	<b>Exam #1 on 2/22 (Exam will be given at the Testing Center)</b>	

**Part 2: Valuation & Cost of Capital**

Week	Chapters & Topics	Textbook chapter
7	No class on 2/27 & 2/29	
8	Possibly no class on 3/5 (will announce in class)	
8	<b>Financial Assets #1: Common Stock Valuation</b> Dividend-growth models, CAPM, regression analysis using Excel	Chapter 9
<b>Spring Break (3/10 – 3/16)</b>		
9	Financial Assets #1: Common Stock Valuation (cont.)	Chapter 10
9	<b>Financial Assets #2: Bond Valuation</b> Yield to maturity, callable bonds, accrued interest, etc.	
10	Financial Assets #2: Bond Valuation (cont.)	
11	<b>Cost of Capital</b> • Cost of debt, cost of equity, and WACC, etc.	Chapter 11
12	Exam review (4/9)	
12	<b>Exam #2 on 4/11 (Exam will be given at the Testing Center)</b>	

**Part 3: Portfolio Analysis**

Week	Chapters & Topics	Textbook chapter
13	<b>Portfolio Statistics and Diversification (Part 1)</b> • Diversification with two risky assets, Sharpe Ratio, etc.	Chapter 14
14	<b>Portfolio Statistics and Diversification (Part 2)</b> • Matrix-vector multiplication, optimal portfolio, Excel Solver	Chapter 14
15	Exam review (4/30)	
15	<b>Exam #3 on 5/2 – 5/3 (Exam will be given at the Testing Center)</b>	

**Course Delivery**

FIN 3390 is a traditional face-to-face course. This is not to be confused with a “flexible” or “hybrid” course offered in the past. There will be no web streaming or recorded lectures, and students are required to attend a class on campus each week.

**Grading and Evaluation**

Your course grade is the total score you have earned divided by the total possible score. **No additional assignment will be given to boost your semester grade.**

Attendance	50 points
Exam #1	100 points
Exam #2	100 points
Exam #3 (comprehensive)	150 points
Total score possible	400 points

Semester letter grades are based on standard university scale. **There will be no curve.**

Scaled score	Letter equivalent	Description
97.00 – 100	A+	<b>Excellent</b>
93.00 – 96.99	A	
90.00 – 92.99	A-	
87.00 – 89.99	B+	<b>Good</b>
83.00 – 86.99	B	
80.00 – 82.99	B-	
77.00 – 79.99	C+	<b>Fair</b>
73.00 – 76.99	C	
70.00 – 72.99	C-	
67.00 – 69.99	D+	<b>Poor</b>
63.00 – 66.99	D	
60.00 – 62.99	D-	
Below 60.00	F	<b>Failure</b>

### Course Policies

I reserve the right to change the course materials during the semester, if necessary. Announcements of changes will be made in eLearning.

a) In-class exams:

The **exam is waived** under one of the following circumstances:

- i. A student needs to attend a university-sponsored event (e.g., conference) on the scheduled exam day. A written notice from the faculty advisor of your student organization must be provided prior to the scheduled exam day in order to demonstrate that the reason of absence is legitimate.
- ii. A student has an unexpected and uncontrollable situation on the scheduled exam day. Examples include a medical emergency. A document of proof must be provided to the instructor before the official semester grade is assigned.

Exam #1 or Exam #2: **No make-up exams (neither earlier nor later) will be given under any circumstances.** If a student provides a supporting documentation, his/her score on the missed exam will be excluded from the semester grade calculation.

Exam #3: **An incomplete (“I”) grade will be assigned.** The student will take a make-up exam **during the first eight weeks of the subsequent long semester.** Once the student completes the exam, the tentative “I” grade will be replaced with the permanent semester grade.

b) Written Assignment (if applicable):

I reserve the right to grade based on my discretion. Please read the general guidelines (to be provided separately) carefully to minimize point reduction.

- The deadlines are firm and will not be extended under any circumstance.

- Do not copy from any published sources or your classmate. Use your own words. **Plagiarism is unacceptable** at UT Dallas and is a violation of the Student Code of Conduct (<https://policy.utdallas.edu/utdsp5003>).

c) **Smartphone is strictly prohibited** during the lecture:

Your classroom behavior (e.g., using a smartphone, chatting) can **adversely affect** your semester grade, at my discretion.

## Course Access and Delivery Format

### Technical Requirements

In addition to a confident level of computer and Internet literacy, certain minimum technical requirements must be met to enable a successful learning experience. Please review the important technical requirements on the [Getting Started with eLearning](#) webpage.

### Course Access and Navigation

This course can be accessed using your UT Dallas NetID account on the eLearning website. Please see the course access and navigation section of the [Getting Started with eLearning](#) webpage for more information. To become familiar with the eLearning tool, please see the [Student eLearning Tutorials](#) webpage.

UT Dallas provides eLearning technical support 24 hours a day, 7 days a week. The [eLearning Support Center](#) includes a toll-free telephone number for immediate assistance (1-866-588-3192), email request service, and an online chat service.

### Course Delivery

Some external communication tools such as regular email and a web conferencing tool may also be used during the semester. For more details, please visit the [Student eLearning Tutorials](#) webpage for video demonstrations on eLearning tools.

Student emails will be answered within 3 working days under normal circumstances.

### Distance Learning Student Resources

Online students have access to resources including the McDermott Library, Academic Advising, The Office of Student AccessAbility, and many others. Please see the [eLearning Current Students](#) webpage for more information.

## University Policies and Services

### Academic Support Resources

The information contained in the following link lists the University's academic support resources for all students: <https://go.utdallas.edu/academic-support-resources>

### Disability Statement

If you have a disability that may have an impact on your ability to carry out assigned course work and if you wish to seek any accommodations for this course, you are encouraged to register with the Office of Student AccessAbility (OSA) as early as possible. OSA staff will review your documentation and determine, what academic accommodations are necessary and appropriate. OSA is located in the Administration Building, AD 2.224 They can be reached by phone at 972-883-2098, or by email at [studentaccess@utdallas.edu](mailto:studentaccess@utdallas.edu).

Please note that accommodations are not retroactive and disability accommodations cannot be provided until an OSA Letter of Accommodation has been given to the instructor.

### **UT Dallas Syllabus Policies and Procedures**

The information contained in the following link constitutes the UTD's policies and procedures segment of the course syllabus.

<http://go.utdallas.edu/syllabus-policies>