

Course:

FIN 6301: Financial Management
Summer 2015
6:00- 10:00 P.M. Monday JSOM 2.714

Course Instructor:

Dr. Arthur Selender
Phone: 972-883-5874
Email: axs137431@utdallas.edu

Office Hours: Office hours will be scheduled weekly in my office in the JSOM building 3.425.

Special Note: I have found that email is an effective mode of communication for most questions asked. I keep up on emails and respond to them as soon as I am able to. For complicated questions however, discussion during office hours is the best way of communicating.

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

OPRE 6301 and ACCT 6201 unless waived by the Instructor

Course Description:

Survey of the major areas of financial operations in business and their relationship to other business functions; internal financial activities, sources of funds, and the firm's involvement with money and capital markets; basic techniques of financial analysis and their application to financial decision making; development of an understanding of the financial system.

Course Objectives:

1. Describe the institutional and tax environments in which firms operate.
2. Assess the financial health of firms by examining their financial statements.
3. Forecast financial statements into the future, and determine future external financing needs.
4. Adjust the values of cash flows across time.
5. Calculate returns, and riskiness of returns, for various assets.
6. Describe the source of asset value, and be able to calculate values for various financial assets.
7. Assess the value of potential investments in fixed assets, and make correct decisions on whether or not to proceed with the investment.
8. Describe the sources of capital available to firms, and estimate the cost for various sources.
9. Discuss personal financial planning topics including personal budgets and balance sheets.

Required Textbooks and Materials

1. CFIN³, Besley and Brigham Edition 4, ISBN 978-1-133-62640-4
2. The Wall Street Journal Complete Personal Finance Guidebook, Three Rivers Press 2006. ISBN 0-307-33600-X
3. A financial calculator (Information will be posted on BB and discussed in class)

Grading Policy

To evaluate how well you have mastered the material, I will evaluate your performance based upon class participation, two exams, and a final exam.

Participation:

You will be evaluated on your contribution and participation to class discussions. Exams 1 and 2: Questions on these exams will be taken from the textbook, homework posted on BB and my weekly lectures. Exams 1 and 2 will contain the material covered from first class lecture up till the time exam is given and from exam 1 to exam 2.

Final Exam:

The final Exam will have questions covering the course material in its entirety. The grades will be determined as follow: 25% each for exams 1 and 2; 10% for class participation and 40% for the final exam.

Course & Instructor Policies

Lecture Notes:

Lecture notes will be put on blackboard a day before class. These notes are to be used as a guideline for the class. I will be often discussing issues and making calculations separately on the Whiteboard.

Homework:

Homework questions will be put up on blackboard or referred to from the textbook. These are not to be handed in. The answers will be provided on blackboard.

Make-up exams:

No make-up exams will be given unless pre-arranged and/or a note from a doctor is provided (or comparable evidence for car accidents, etc.).

Class attendance:

Expected and required.

Computation Aids:

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 are: (1) *Excel Modeling in Investments*, by Craig Holden, Prentice-Hall (4th edition, 2011), or (2) *Financial Modeling*, by S. Benninga, The MIT Press (3rd edition, 2008). In addition to these skills, you should also become familiar with the use of a financial calculator. As with professional certification exams, you will be allowed only to use a calculator on your exams. I recommend that if you do not already have a financial calculator that computes the internal rate of return for a sequence of cash flows, that you consider the HP-10BII, HP-12C, TI BAII Plus, or the TI BAII Plus Professional as these calculators can be used on most certification exams (e.g., CPA, CFA, etc.). If you use a calculator, then you will be responsible for knowing how to use it.

Schedule for Fin: # 6301

Summer 2015

Week	Topics	Reading Assignment
June 1	Intro to Managerial Finance & The Financial environment: Markets, Institutions and Investment Banking and Time Value of Money.	Chapters 1,3,4 B & B
June 8	Time Value of Money & The cost of Money (Interest Rates) Banking and Borrowing (WSJ 1,2)	Chapters 4,5 B & B Chapters 1,2 WSJ
June 15	Cost of Money, Bonds, Debt-Characteristics. Review for Exam 1.	Chapters 5,6 B & B
June 22	Exam 1. Analysis of Financial Statements, Valuation & Analysis of Financial Statements	Chapters 2 B & B
June 29	Stocks (equity): Characteristics and Valuation & Risks and rates of return. Capital Budgeting Techniques & Project Cash Flows and Risks	Chapter 7,8, 9 B & B
July 6	Capital Budgeting Techniques & Project Cash Flows and Risks. The cost of Capital, Financial Planning and control. Review for Exam 2	Chapters 9,10,11 B & B
July 13	Exam 2. Financial Planning and control & Introduction to Options	Chapters 11,17 B & B
July 20	Introduction to Options contd. & Special TBD	Class Notes
July 27	Special Topic Cont. Review for Exam 3	Class Notes
August 3	Exam 3	

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.