Syllabus

Financial Management, FIN 3320

Fall 2015

Contact Information

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Course Description

This course introduces concepts and analytical techniques to identify and solve financial management problems. It serves as the basis for all other courses in the area of finance as well as providing those basic tools that every business student will need to be successful in her/his chosen career. Those students majoring in business administration and accounting, as well as those going further in the study of finance, will find this material an essential part of their business education. Regardless of the student's chosen career, these tools and techniques will provide the foundation for making personal financial decisions. Pre-requisites: Math 1326, Math 2333 (or OPRE 3333), ACCT 2301, ACCT 2302, MIS3300. Co-requisites: STAT 3360 or OPRE 3360.

Student Learning Objectives/Outcomes

1. Be able to apply time value of money concepts to various valuation problems.
2. Be able to describe what drives a firm's cost of capital and how to estimate it.
3. Be able to analyze investments in real and financial assets using various methodologies.
4. Be able to construct excel spreadsheets to solve basic financial problems.

Required Textbooks and Materials

Fundamentals of Corporate Finance; McGraw-Hill Irwin; Tenth Edition, by Ross, Westerfield and Jordan. with Connect access code required. Connect is an online software that allows students to submit homework assignments and check their work on line. Access to McGraw-Hill Connect is required for this course. Connect Plus is the Connect Finance code plus an e-version of the textbook.

Online textbook resource: http://highered.mcgraw-hill.com/sites/0078034639/student_view0/

Acceptable Calculators: For the exams for this course, you are allowed to use any calculator that you prefer except for (i) calculators that reside on smart phones or (ii) any calculator that has wireless access to the internet. Also, if you use a programmable calculator (e.g., TI-83 Plus or TI-84), you are not allowed to use the programming features of your calculator. An exam proctor will check your calculator before (or during) each exam to be sure that it complies with this rule; if the calculator is not in compliance, the proctor has the authority to remove your calculator for further use on that exam. Please do not risk having to incur the consequences. If you plan to use an unfamiliar, obscure type of calculator, you should check with your instructor any time before the actual exam date to avoid any potential complications during the actual exam.

The time-value-of-money material in this course will be taught to you in two ways: (1) using five fundamental math equations and (2) using financial-function keys on a calculator. If you master either approach, you are perfectly well-equipped to be successful in this course; mastering both approaches makes you even more competent.

Your course instructor is required to be fluent in the financial functions for only calculators that are made by Texas Instruments and contain financial functions (e.g., TI BA II Plus, TI-83 Plus, TI-84 Plus, TI-86, etc.). If you choose to use the financial functions on any calculator that is not of the Texas Instruments brand, you are required to learn these keys on your own. Any common calculator will have a user's manual, as well as tutorials on YouTube for how to use it.

SUGGESTION: If you use a TI BA II Plus (or Plus Professional), you will be wise to change the order of operations on your calculator, so that the keystrokes "2 + 3 x 4" yield 14 (and not 20 – ha!) or so that "6 + 3 ^ 2" yields 15 (and not 81!). Also, you also almost certainly want to re-program your calculator so that it reports results to five or six decimals (as opposed to two).

Web Address for this class for Connect is:

http://connect.mheducation.com/class/n-baranchuk-fall-2015-008

Homework sets are assigned on the McGraw-Hill Connect system.

Tentative Class Schedule

Week	Topic	Readings
1 (Aug 25, 27)	Introduction	Chapters 2 –3
2 (Sep 1, 3)	Time Value of Money	Chapter 5
3 (Sep 8, 10)	Time Value of Money	Chapter 6
4 (Sep 15, 17)	Bond Valuation	Chapter 7
5 (Sep 22, 24)	**Exam 1** (first class); Stock Valuation	Chapter 8
6 (Sep 29, Oct 1)	More on Stock Valuation	Chapter 8
7 (Oct 6, 8)	NPV	Chapter 9
8 (Oct 13, 15)	Capital Budgeting	Chapter 10

9 (Oct 20, 22)	Capital Budgeting	Chapter 10
10 (Oct 27, 29)	**Exam 2** (first class); Project Analysis (second class)	Chapter 11
11 (Nov 3, 5)	Project Analysis	Chapter 11
12 (Nov 10, 12)	Risk and Return	Chapters 12, 13
13 (Nov 17, 19)	Cost of Capital	Chapter 14
14 (Nov 24, Dec1)	**Exam 3** (first class); Review (second class)	
15 (Dec 3, 8)	Review	

Grading Policy

Homework Assignments and in-class quizzes 15%, Each Midterm Exam 20%; Final Exam 25%.
Each student is responsible for staying current with university drop/withdrawal deadlines.

Class participation

I expect that you will arrive at each lecture having read the corresponding chapter in the textbook. Absence without a legitimate reason is equivalent to failing a quiz. Legitimate reasons to be absent from class must be discussed with me in advance. Additional questions may be asked throughout the lecture, and students will have an opportunity to solve problems in class.

All cell phones must be turned off once class begins. Laptops can be used in class only for academic purposes. Your whole-hearted attention and participation are expected during each class.

Exams

The exams will contain concept questions (about one fifth of all questions) and analytical problems. The questions and problems will be multiple-choice. The exams will be closed book and will take place in class on the dates indicated in the above schedule. You will have to bring pencil, eraser, calculator (see above), and Scantron form 882-E. The traditional 100-point maximum grade per exam will be followed. Final semester grades will be assigned letter grades such as A (90-100), B (80-89), C (70-79), D (60-69), F (59 or below). In addition, +'s and –'s will be used, per the following example: 80-83 (B-), 84-86 (B) and 87-89 (B+). Unless there is a computational error, absolutely NO final semester grades will be changed. The time to be concerned about your grade is NOW and NOT the end of the semester.

There will be no make-up assignments or exams. If you have a legitimate reason to be absent from the first exam, you must discuss this issue with me in advance. I reserve the right to determine a legitimate reason for missing an exam. If a student is excused from the exam, the weight will be distributed equally to all the remaining grade components. All students must take at least two midterms and the final exams to successfully pass the course.

A COMMON FINAL ESAM will be given for all students in this course on December 12, 2014, 11:00am-1:45pm. There is no makeup if you miss this exam. You will not be allowed to bring backpacks, bags, books, cell phones, laptops, notebooks, scratch paper, calculators that store text such as graphing calculators…etc. You will have to bring pencil, eraser, calculator (see above), Scantron form 882-E and a photo ID (UTD Comet Card preferred, state driver's license or passport). Students will not be able to take the exam without a photo ID. Emergencies such as hospitalization, car wrecks on the way to the test, etc. will have to be substantiated by supporting documents and in these cases the students will receive an incomplete in the course and will take the exam during the next scheduled final exam for Fin 3320. There will be no exceptions. Exam will be in ECSS 2.102.

Homework

There will be a homework assigned each weak through McGraw-Hill Connect. Please make sure to submit your work on time (by the due dates posted on Connect) as late submissions will not be accepted.

Pop-up Quizzes

Ten-minute pop-up quizzes with two or three multiple choice questions on the latest covered topic may take place in class. The quizzes will be pass/fail.

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.

The faculty and administration of the School of Management expect from our 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. We want to establish a reputation for the honorable behavior of our graduates, which extends throughout their careers. Both your individual reputation and the school's reputation matter to your success. The Judicial Affairs website lists examples of academic dishonesty. Dishonesty includes, but is not limited to cheating, plagiarism, collusion, facilitating academic dishonesty, fabrication, failure to contribute to a collaborative project and sabotage.