

Course Syllabus

Finance 6301-0W1 Financial Management

The University of Texas at Dallas

[Course Information](#) | [Course Policies](#) | [Scholastic Dishonesty](#) | [Communication](#) | [Access and Navigation](#)
[Student Assessment](#) | [Course Evaluation](#) | [UTD Policies](#) | [Academic Calendar](#)

Course Information

Course

Course Number Section	Finance 6301-0W1
Course Title	Financial Management
Term and Dates	Fall 2016

Professor Contact Information

Professor	Ted Day
Office Phone	972-883-2743
Email Address	tday@utdallas.edu
Office Location	SM 14.330
Online Office Hours	Thursday 4PM – 6PM

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

The co-requisites for Finance 6301 are OPRE 6301, ACCT 6201 and basic familiarity with a spreadsheet package such as Excel.

Course Description

This course examines corporate financial decision-making and the valuation of firms. The introductory lectures on valuation and decision-making cover the time value of money, the valuation of corporate securities, and the selection of capital investment projects. Additional topics include the valuation of real options, exchange rates, foreign investment decisions, portfolio theory, risk and financial returns, and corporate financing decisions.

Student Learning Objectives/Outcomes

The learning objectives for the course include developing the ability to apply the principles underlying the time value of money to financial planning and valuation problems such as (a) the valuation of stocks and bonds, (b) the valuation of corporations and capital investment projects, and (c) the analysis of financial planning problems involving retirement savings and mortgage financing. Additionally, students will learn to analyze the relative desirability of strategic investments in real and financial assets, and become proficient in estimating both the required return for the financial instruments used to finance the firm's operations and the firm's weighted average cost of capital.

Required Textbook and Course Materials

The recommended textbook is *Corporate Finance* by J. Berk, and P. DeMarzo, Prentice Hall, 3rd Edition, 2014. The textbook (ISBN 978-0-13-299247-3) is available online from [Off-Campus Books](#) or the [UTD Bookstore](#). This textbook should also be in stock at both bookstores. In addition, I will make detailed lecture notes and homework solutions available free of charge on the eLearning course site.

About the Instructor

Theodore E. Day is Professor of Finance in the School of Management at the University of Texas at Dallas, where he teaches courses in corporate finance and portfolio management. Prior to joining the UTD faculty in 1990, Professor Day held faculty positions at Vanderbilt University and at the University of North Carolina. A Certified Public Accountant born in Collinsville, Oklahoma, Professor Day earned his M.B.A. from the University of Oklahoma and a Ph.D. in Finance from Stanford University's Graduate School of Business. Professor Day's research on inflation and stock market returns, the term structure of interest rates, analysts' earnings forecasts, the volatility of derivative asset markets, along with more recent research on the discounts for closed-end mutual funds, has been published in academic journals such as the *Journal of Financial Economics*, the *Review of Financial Studies*, the *Journal of Finance*, and the *Journal of Political Economy*. In addition, Professor Day is the co-author of *Taxes, Financial Policy, and Small Business*, a monograph funded by a grant from the Small Business Administration.

Course Policies

Make-up exams

Given the importance of providing timely feedback, there will be no make-up quizzes or exams. Students receiving **explicit advance permission** to miss a quiz or exam due to a **pre-approved conflict** will have their final exams weighted more heavily in determining total points for the semester. However, in most cases students will be required to turn in quizzes and exams at the scheduled time.

Extra Credit and Special Assignments

There will be no extra credit or special assignments in Finance 6301.

Late Work

Late work will not be accepted.

Distance Learning Student Resources

Online students may access UTD resources including the McDermott Library, Academic Advising, and many others, as described in detail on the [Current eLearning Students page](#).

Policy on Server Unavailability or Other Technical Difficulties

Unexpected interruptions of access to the eLearning course site may occur from time to time during the semester. Additionally, the course site may be unavailable while scheduled maintenance to the server is performed (usually Sunday mornings). Although disruptions should be infrequent and of short duration, students should assist in minimizing the impact of disruptions by downloading assignments, exams and other course materials on a timely basis. In the event of a service disruption coincident with a deadline for the submission of a quiz or an exam, the submission deadline will be extended to provide reasonable opportunities for submission of your work. Please report server problems to both the instructor and the eLearning Help Desk: <http://www.utdallas.edu/elearninghelp>, 1-866-588-3192, to assure that any server issues are resolved at the earliest possible time.

[Top](#)

[Top](#)

Scholastic Dishonesty

The *Rules and Regulations* of the Regents of the University of Texas System require students to be above reproach with respect to all scholastic activities, including but not limited to homework assignments, take-home exams and quizzes, and the proctored final exam. Many homework problems and spreadsheet exercises that will be assigned this semester have been used previously at UTD by either myself or by colleagues. The term “above reproach” explicitly prohibits any use of homework solutions, spreadsheet templates, and copies of quizzes or examinations administered during prior semesters. Use of **any** prohibited materials or **any violations** of the rules for taking in-class or take-home exams will be treated as serious honor code violations. Although sanctions for honor code violations imposed by the Office of Judicial Affairs are usually lenient, my referral to the Office of Judicial Affairs with regard to **any and all violations** of the honor code will include my strongest recommendation that the student in question be assigned a failing grade for the semester and be placed on **permanent academic suspension** from the University. Additional information about UTD’s policies and procedures regarding scholastic dishonesty is available on the [web page for the Dean of Students](#).

Communication

This course site has built-in communications tools for sending and receiving course-related e-mail (the **Messages tool**) and for posting messages to the course discussion boards. For details, please visit the [eLearning Tutorials webpage](#) for video demonstrations of eLearning’s communication tools.

Interaction with Instructor

My office is located in SOM 14.330 on the 4th floor of the JSOM-II classroom building. I can be reached by phone at 972-883-2743 or by e-mail at tday@utdallas.edu. In addition to our interactions on the course site, I will be available by phone or in person to discuss lecture materials and other course-related issues. If you would like to meet with me in my office, I am pleased to schedule late afternoon and early evening appointments on relatively short notice (often that day).

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 was developed using a web course tool called eLearning, and has been structure to permit the course to be delivered entirely online. Students will use their UTD NetID account to login at: <http://elearning.utdallas.edu>. More details are available on [course access and navigation information](#). To become familiar with the eLearning tool, please see the [Student eLearning Tutorials](#).

UTD provides eLearning technical support 24 hours a day/7 days a week. Services include a toll free telephone number for immediate assistance (1-866-588-3192), email request service, and an online chat service. The UTD eLearning Support Center can be accessed at: <http://www.utdallas.edu/elearninghelp>.

[Top](#)

[Top](#)

Student Assessment

[Homework Discussion](#) | [Homework Quizzes](#) | [Midterm Exam](#) | [Final Exam](#)

Course Requirements and Grading Policy

The course requirements include two take-home quizzes, a take-home **midterm examination** and a **proctored final** examination that will be **cumulative**. Additionally, each student is required to contribute to group discussions of assigned homework. **Late work will not be accepted** without the prior approval. Grades will be based on total points accumulated during the semester, allocated as follows:

Homework Quiz I (Take-Home)	(7.5%)	15 points
Homework Quiz II (Take-Home)	(7.5%)	15 points
Online Homework Discussion	(10%)	20 points
Midterm Exam (Take-Home)	(25%)	50 points
Final Examination (Proctored)	(50%)	100 points

Semester grades will be based on an end-of-semester ranking of students according to total points accumulated in fulfilling the course requirements. Both the absolute number of points accumulated and students' respective rankings will be used in assigning each student to one of four groups: excellent, good, below average and substandard. Although I have a general standard for the absolute point totals required to earn each letter grade, the cutoff points used to assign grades will be an end-of-semester decision based on class effort, difficulty of exams and assigned homework, as well as other factors. In the past, point totals of 165 and 130 have usually been sufficient to earn grades of A and B respectively, while point totals less than 100 have usually resulted in a failing grade. Although University Policy permits the use pluses and minuses in assigning grades, consistent with prior semesters I plan to use pluses and minuses sparingly. Semester grades and final examination scores can be reviewed by clicking "**My Grades**" under Course Tools once grades have been released.

[Top](#)

Online Discussion of Homework Solutions

Each student will be assigned alphabetically by last name to one of three discussion groups. Participation on your homework discussion board is the primary measure of your effort on the assigned homework intended to develop your ability to structure and solve practical problems. Meaningful contributions to the homework discussion board include posting homework solutions, relevant questions about solutions posted by classmates, and especially answering questions from and providing help to fellow students. Homework assignments will be posted each Friday. Students will **in most cases** have 10 days to post solutions, along with comments about alternative solution approaches. The discussion period for assignments will **usually** end **no later than 2 p.m.** on the second Monday following distribution of each homework set, **although discussion may end early prior to exams and quizzes** to permit early access to the suggested solutions for that homework assignment on the course web site.

Although I expect each student to contribute to homework discussions on a **regular** basis, I **do not** expect each student to post a solution to every problem, or that each student will contribute to the discussion board on every assignment. Points assigned for discussion board participation will be based on both the **quality** of your contributions and the frequency of your posts. Although I am pleased to communicate with students directly by phone or e-mail, comments and questions on homework

problems should generally be **shared** with your classmates. In addition to monitoring discussion board participation, I plan to provide private feedback on your solutions, and from time to time I will post on your discussion board myself. However, my primary intent is for students to share and discuss ideas about the application of course content to the assigned homework problems.

Virtual Classroom Citizenship

Students are expected to **refrain from posting profane and/or obnoxious comments** on the discussion board. Further, *many words used all too frequently on television and radio will lead to harsh sanctions if used on the discussion board.* Finally, **please avoid posting vacuous comments and replies such as “I agree”, “that’s what I got”, or “let’s see what the professor has to say”.**

[Top](#)

Graded Homework Quizzes

There will be two graded homework quizzes during the semester. Homework quizzes are distinct from the regular homework assignments to be discussed on your respective homework discussion boards (see above). Quizzes are intended to assure that each student keeps up with the assigned homework, and must represent solely each student’s individual work. Students are expressly prohibited from discussing quizzes, either with one another or with anyone else until after the due date for the quiz. Homework quizzes will be distributed on a Friday from the Assignments link on the course site and as an e-mail attachment using the course messages tool. Quiz solutions are due the **following Tuesday**. Homework *Quiz 1* will be distributed on Friday **September 23** and is due by 10 p.m. CDT on Tuesday **September 27**. The problems included on *Quiz 1* will be related to material covered in Lectures 1 through 3. Homework *Quiz 2* will be distributed on Friday **November 4** and is due by 10 p.m. CST on Tuesday **November 8**. The problems included on *Quiz 2* will be related to the material covered in Lectures 6 and 7.

Homework quizzes must be submitted in a single file formatted as a **Word document** using **only your last name as the file name**. Homework quizzes should be (1) formatted to print on 8-1/2 x 11 paper, (2) double-spaced with 1-inch margins, and (3) in a font no smaller than 12 pt. Homework quiz solutions may be submitted by sending me your work as an **e-mail attachment** using the **Messages tool** on the eLearning course site. This submission method allows me to e-mail you an immediate reply letting you know that I have received your work. Alternatively, you may submit your quiz using the **Assignments link** on the on the eLearning site for the course (**please do not submit your work twice**). To submit your work using the assignment link, click the assignment name link and follow the on-screen instructions to upload and submit your file. For additional information on how to submit assignments, view the [Submitting An Assignment video tutorial](#).

Graded quizzes, along with my suggested solutions and feedback, will be returned by private e-mail using the course *Messages* tool. Students who receive **explicit advance permission** to miss a Homework Quiz due to an **instructor-approved conflict** will have their final examinations weighted more heavily in determining their total points for the semester. **Late homework quizzes will not be accepted.**

[Top](#)

[Top](#)

Midterm Examination

Each student must complete a “take-home” midterm examination consisting of five to six problems similar to those included in the assigned homework. The midterm exam will be made available on the course site by **11:00 A.M. on Friday October 14**. Your work must be submitted as a Word document using your last name as the file name **before 10:00 P.M. Central Daylight Time on Monday October 17**. Midterm solutions should be formatted to print on 8.5x11 paper that is double-spaced with 1-inch margins and a font no smaller than 12 pt. Since the exam has no time limit, *some* of the problems included on the midterm examination are “*likely*” to be more challenging than the assigned homework problems. During the midterm exam, students may refer to their textbook, as well as the lecture notes and homework solutions that have been distributed during the semester. However, students are expressly prohibited from discussing the midterm exam, either with one another or with anyone else, prior to **Tuesday October 18**. Students who receive **explicit advance permission** to skip the midterm exam due to an **instructor-approved conflict** will have their final examinations weighted more heavily in determining their total points for the semester.

Assignment submission instructions

Please use the **course messages tool** to send me your completed midterm exam as an attachment to a brief e-mail message. The course messages tool permits me to send a direct reply that your exam has been received. You also may submit your work using the **Assignments Link** on the course site. However, please do not make duplicate submissions. To submit your work using the **Assignments link** on the course menu and then follow the on-screen instructions to upload and submit your file. For more information on submitting assignments, see the [Submitting An Assignment video tutorial](#).

[Top](#)

Proctored Final Examination

All students in Finance 6301 are required to take a **proctored final examination** consisting of seven to ten problems similar to the assigned homework, although questions on the final examination may require the use of principles from two or more homework problems. The final examination, which is **comprehensive**, will be **closed book** and **closed notes**. Each student is required to complete the proctored final examination within a three-hour time period.

Students may take the proctored final examination on-campus at the UTD Testing Center located in **Room MC 1.401 in the basement of the McDermott Library**. Appointments to take the **the final exam during the exam window beginning on Friday December 9 and ending on Saturday December 13**, may be scheduled free of charge using the link on the Home Page for the [UTD Testing Center](#), which also provides current information on hours of operation and testing center policies. Please carefully read and follow all testing center policies. When you arrive at the testing center to take your exam, you must sign in with your **Comet Card** or with a **photo ID & UTD ID number** if you do not have a Comet Card. Students are encouraged to take the final examination early during the final exam window to avoid capacity constraints at the testing center.

Students who are unable to take the proctored final examination on-campus at UTD may use a **pre-approved** testing service at a convenient off-campus location. **All off-campus final examinations must be completed within the examination window beginning on Friday December 9 and ending on Tuesday December 13**. Students are responsible for all proctoring fees charged by off-campus testing centers.

Students taking the final exam “off-campus” **must notify** their instructor and complete a proctored exam application prior to **November 1** in order for the final exam to be distributed to the off-campus testing center in a timely manner. Please go to the [Proctored Exam web page](#) to check out **Procedures for Arranging an Individual Proctored Exam** and to access and complete the **Online Proctored Exam application**. All final exams must be completed within the examination window from **December 9** through **December 13**. Your completed examination must be received at UTD by **December 15** to permit the timely reporting of grades to the UTD Registrar. The UTD Testing Center requests that all students strictly adhere to the proctored examination scheduling deadlines. Students who need special accommodations for the final examination should seek advance approval from their instructor. If you have questions concerning the use of either the on-campus testing center or an off-campus testing center service of your choice, please email TestingCenter@utdallas.edu.

[Top](#)

Guidelines for Administration of the Final Examination

Students will have **three hours to complete the final examination**, which will be **closed book and closed notes** in that students **will not be allowed** to refer to textbooks, class notes, or any other class materials during the exam. Students are required to place answers to exam questions directly below each question in the designated white space on their printed copy of the examination. Blue books and Scantrons are not required or allowed for the final exam. Students are **not allowed to access cell phones or other wireless devices** during the final exam. Students may use a **simple scientific calculator**, but **laptop and tablet computers or calculators that permit text storage will not be permitted**. Acceptable calculators include the Casio fx series or any of the models authorized for use on the CFA exam, the TI BA II Plus (or Plus Professional) and HP 12C (or 12C Platinum). During the examination, each student **may reference one handwritten formula sheet** (you **may not cut and paste formulas** from your class notes) that is fully contained on the two sides of a **single sheet of paper no larger than 8.5"x 11"**. Content of the formula sheet is **limited to formulas** and may not include worked examples, notes, formula labels or definitions of variables.

[Top](#)

Course Evaluation

As required by UTD academic regulations, every student must complete an evaluation for each enrolled course at the end of the semester. A link to an online instructional assessment form will be emailed to you for your confidential use.

[Top](#)

University Policies

The information contained in the following link constitutes the University’s policies and procedures segment of the course syllabus. Please go to <http://go.utdallas.edu/syllabus-policies> if you wish to review these policies.

Please be aware that the descriptions and timelines contained in this syllabus are subject to change at the discretion of the Professor. In the event of any change in the syllabus, students will be notified promptly using the course messages tool (which sends e-mail internal to the course site).

[Top](#)

[Top](#)

Academic Calendar

DATES	LECTURE	READINGS	ASSIGNMENT	DUE DATE
August 26	Introduction	Pages 97-108, 992-998 and Chapter 3.	Homework Set 0	
September 2	Stock Valuation	Pages 109-112, 115-118 and Chapter 9	Homework Set 1	
September 9	Annuity Problems in Financial Planning	Pages 112-129 and 142-149	Homework Set 2	
September 16	Valuation of Fixed Income Securities	Chapters 6, 24, pages 149-159 and 38-41	Homework Set 3	
September 23	Investment Decision Rules	Pages 126-130 and Chapter 7	Homework Set 4 Homework Quiz 1	Quiz 1 Due Sep 27/10 PM
September 30 & October 7	Capital Budgeting	Chapter 8 and pages 37-38	Homework Set 5	
October 14 to October 17	Take-Home Midterm Examination		Midterm Exam	Exam Due on Oct 17/10 PM
October 21	Real Options and Capital Budgeting	Chapters 20, 21 and 22	Homework Set 6	
October 28	Global Investment Decisions	Pages 999-1008 and Chapter 31	Homework Set 7	
November 4	The Capital Asset Pricing Model	Chapters 10 and 11 and pages 401-411	Homework Set 8 Homework Quiz 2	Quiz 2 Due on Nov 8/10 PM
November 11	Financial Structure	Chapters 14, 15 and 16	Homework Set 9	Click here to enter text.
November 18	Valuation	Pages 626-644	Homework Set 10	
December 2	Valuation	Review for Final Exam	Review Homework Solutions	
Dec 9 – Dec 13	Final Exam		Final Exam	