

University of Texas at Dallas

Jindal School of Management

Course Syllabus

Course: FIN3320, Business Finance
Section: 002
Semester: Fall 2017
Class hours: Friday 10:00am-12:45pm
Classroom: JSOM 2.103

Instructor: Xiaofei Zhao
Email: xiaofei.zhao@utdallas.edu
Phone: (972) 883 5971
Office: JSOM II 14.506
TA: Jake Smith (jake.smith1@utdallas.edu)

Pre-requisites

Pre-requisites: MATH 1326, MATH 2333 (or OPRE 3333), ACCT 2301, ACCT 2302, & MIS 3300.

Co-requisites: STAT 3360 or OPRE 3360.

Course Description

This course is an introduction to corporate finance. It serves as the basis for all other courses in the area of finance and provides the basic financial tool set every business student will need to be successful in her/his chosen career. Students majoring in business administration and accounting, as well as those going further in the study of finance, will find the material to be 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. There will be weekly lectures on **Fridays (10:00AM-12:45PM)**. Class attendance is required. My office (JSOM II 14.506) is located on the fourth floor of the new School of Management building. You can reach me by phone at (972) 883-5971 or email at xiaofei.zhao@utdallas.edu. You can download the lecture notes and the problem sets from the eLearning.

Student Learning Objectives

You will learn to understand how and when to apply the basic concepts of financial analysis in a business setting, demonstrated through your ability to:

- Be able to apply time value of money concepts to various valuation problems.
- Be able to describe what drives a firm's cost of capital and how to estimate it.
- Be able to analyze strategic investments in real and financial assets using various methodologies.

Required Textbooks and Reading Materials

Teaching materials are drawn from several books, newspapers, and periodicals. There are assigned readings for each class. I expect you to come prepared. You will find the materials much easier to grasp if you have read the assigned materials in advance.

- Required textbook: Fundamentals of Corporate Finance, 11th Ed., by Ross, Westerfield and Jordan, McGraw-Hill/Irwin, 2016
- Useful websites: investopedia.com, finance.yahoo.com

Grading Policy

Your performance for the class will be based on participation, problem sets, and three exams according to the following scale:

Participation:	5%
Problem Sets:	20%
Exam I:	25%
Exam II:	25%
Common Final Exam:	25%

Letter grades will be given at the end of the semester based on the weighted average scores. The final grade will be curved based on relative performance. Request for re-grading must be in written form. I will re-grade the entire exam upon receiving your written re-grading request. I expect that all the work will be done in complete observance of the University's rules and regulations regarding academic integrity.

Course & Instructor Policies

Homework

We will have four problem sets distributed during the semester. All homework assignments should be submitted **in hard copy** prior to class. **No late homework will be accepted.** You need to show your work in order to get the full credit. Solutions to the problem sets will be posted on the course eLearning after the due date. Group discussion of homework problems is encouraged but each student must prepare his/her own solution to each problem set.

In-class Exams

There will be two in-class exams. In order to be fair to everyone, exams must be taken on the specified dates. No additional credit or make up tests will be granted. The tests will consist of conceptual and problem solving questions. All tests will be **closed book and closed notes**. No cell phone, PDA, graphing calculator, and other electronic devices, except a SIMPLE financial/scientific (non-programmable) calculator, are allowed.

Common Final Exam

A **common final exam** will be given for all students across all sections of this FIN 3320 course during the final exam week. The FIN 3320 common final exam will be taken online and administered at UTD's testing center. Students are required to reserve a seat at the UTD testing center in order to take the final – no walk ins will be allowed.

You **cannot** make up the common final exam if you miss it (except as described in the following paragraph). At this comprehensive final exam, you will not be allowed to bring backpacks, bags, books, cell phones, laptops, notebooks, or scratch paper. You will have to bring a pencil, an eraser, an acceptable financial calculator, and a photo ID (e.g., 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 exam, etc., will have to be substantiated by supporting documents and in these cases the students will receive an incomplete grade (an "I") in the course and will take the exam in a common-hour sitting early in the following semester. **There will be no exceptions.**

Academic Calendar (Tentative and subject to changes)

Week	Topic	Readings
Aug.25	Introduction and Time Value of Money	Chapter 5
Sep.1	Discounted Cash Flow Valuation	Chapter 6
Sep.8	NPV and other Investment Criteria	Chapter 9, PS 1 due
Sep.15	Capital Investment Decision	Chapter 10
Sep.22	Project Analysis and Review for Exam I	Chapter 11, PS 2 due
Sep.29	Exam I (in-class)	
Oct.6	Bond Valuation	Chapter 7
Oct.13	Stock Valuation	Chapter 8
Oct.20	Risk and Return, Market Efficiency	Chapter 12, 13, PS 3 due
Oct.27	Cost of Capital	Chapter 14
Nov.3	Review for Exam II	PS 4 due
Nov.10	Exam II (in-class)	
Nov.17	Financial Statement and Ratio Analysis	Chapter 2, 3
Nov.24	Fall break, no class	
Dec.1	Review for Common Final Exam	
Dec.8-14	Common Final Exam (UTD testing center)	

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 ones own work or material that is not ones 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 universitys 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 students 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 universitys 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 respondents 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 Deans decision, the student may make a written appeal to the Dean of Graduate or Undergraduate Education, and the deal 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.

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