

**Finance 5170**  
**Financial Management**  
**On Line Class**  
**Summer I, 2016**

**Instructor:** Dr. Michael Impson

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**Office Hours:** By appointment only.

**Text:** *Principles of Corporate Finance*, by Brealey, Myers, and Allen, 11<sup>th</sup> edition, published by McGraw Hill. The McGraw Hill Connect software comes with the ebook which is all that I require. You have the option of purchasing a loose leaf copy of the current edition of the text direct from McGraw Hill for about \$40 if you prefer to have a paper copy. Paper copy versions of the textbook are also available in the UNT bookstore and various on line sites. If you want it only for reference, any recent edition is probably ok.

### **Blackboard**

The Blackboard website is your primary interface with the course. Access to the course instructions and class materials will be via Blackboard. McGraw Hill Connect Finance is integrated into Blackboard so you will have seamless access to the McGraw Hill materials through Blackboard. Please note that Blackboard will be unavailable from 11:00 pm Saturdays until 2:00 am Sundays when the scheduled weekly maintenance takes place.

### **McGraw Hill Connect Finance**

The course materials are in general a system tied to the textbook and intended to support the course and chapter learning objectives. You will need to buy an access code and register with McGraw Hill in order to access the McGraw Hill course materials like the chapter quizzes in Blackboard. Also note that the chapter quizzes are open book, open notes, so having access to the ebook and its search feature is very useful if you are having difficulty answering a quiz question. You can also use the ebook to access the guided instruction self study features of the system. Access codes are available for purchase on the course Blackboard website and at the UNT bookstore. There are instructions on the course website about purchasing the access code there. See *Instructions for Using McGraw Hill Connect with Blackboard* under the *Start Here* tab on the course Blackboard website. Note that one of your options is to select a free trial for 21 days in case you think that you might drop the course or if you want to check out the ebook.

### **Course Objective**

This course examines the problems and decisions faced by the firm's financial manager. Fundamental concepts of time value of money and risk and return are considered and useful valuation models are explained and used. A framework for making investment and financing decisions is constructed. You should leave the course with a firm grasp of these concepts that will serve as a base for further study in the MBA program.

### **Detailed Course Objectives:**

After completing the course, students should have the following skills and knowledge.

1. Students can describe the role and duties of the financial manager in the firm.
2. Students can apply time value of money concepts in solving financial problems.
3. Students can apply models to value bonds and stocks.
4. Students can describe the relationship between risk and return and can apply models of return and risk in analyzing investment decisions.
5. Students can apply discounted cash flow (capital budgeting) techniques in making investment decisions.
6. Students can estimate the firm's cost of capital.
7. Students can distinguish between theoretical and real world models of capital structure.
8. Students can distinguish between theoretical and real world models of payout policy.

### **Course Prerequisites**

ACCT 5020 or equivalent

FINA 5040 or equivalent

ECON 5000 or equivalent

MATH 1190 or equivalent

BCIS 5090 or equivalent

DSCI 5180 or equivalent

### **Technical Skills**

Fluency in English, basic spreadsheet and word processing skills are assumed. Basic report-writing skills, grammar, organization, referencing, etc. are assumed. Ability to use online search engines is assumed. You should be able to read and interpret financial statements.

### **Wall Street Journal**

The WSJ is an excellent source of current information related to investments. Every student in a COB masters program in finance gets electronic access to the WSJ.

**Absences for Important Personal Events:** If you expect to miss class assignments because of an important personal event: wedding, graduation, birth of a child, etc., please inform me **in writing** of the expected date(s) and reasons by June 10 (Sorry, but conflicting vacation plans don't qualify). Otherwise, you will not be allowed to make up any class work due during that absence. See the section on makeup exams below for guidelines regarding missing an exam due to an important personal event.

**Financial Calculator:** You will need a basic **financial** calculator like the TI BAII Plus for exams, quizzes, and study. Although scientific calculators will solve most of the problems that we will encounter, they cannot solve problems like bond yield to maturity calculations.

### **Checking for Updates or Changes**

I am providing due dates in this syllabus for regularly occurring assignments like the chapter quizzes and exam homework. I will not post announcements for each of these unless there is a change in the due date. Discussion topic due dates are not shown in the syllabus calendar, but I will post an announcement when I post a discussion topic. It is your responsibility to check Blackboard frequently for changes and current due dates for assignments.

### **Exam Review Materials**

You will have access to the textbook in either electronic or paper format. However, you should keep in mind that I do not cover every topic in every chapter and I cover some topics that are not in the text, so I don't recommend that you read every page of each chapter in the text.

PowerPoint slides that I have created, some with narration, will be posted on Blackboard. These slides, the chapter quizzes, and the exam review problems are your best guideline for topics that may appear on the exams. You still may find that a review of these topics in the text may be helpful, but you should not focus exclusively on the text in preparing for the exams.

### **Chapter Quizzes**

Chapter quizzes are all multiple choice and are automatically graded. The quizzes are open book open notes, but you are not to collaborate on the quizzes. Quiz due dates are shown in the table at the end of the syllabus. If there is a Blackboard or Connect problem with the quiz, I may extend the due date. I will post an announcement if I change a due date. You have two attempts for each quiz and I will take the highest score of the two attempts as your final quiz grade. Be aware that some of the quiz questions are algorithmic, the numbers change each time you take the quiz. Chapter quiz results should be available in a few minutes following submission.

Chapter quizzes are coordinated with the textbook chapter material and are designed to support the learning objectives of the chapter. **Access to the quizzes will close on the due date and there is no makeup.**

### **Problems with Blackboard or Connect**

If you experience a problem in completing a Blackboard or Connect assignment, quiz, project, homework, etc., you should immediately contact the student help desk at 940-565-2324 to get assistance or at least complete a remedy ticket. If the problem cannot be resolved, you should also immediately email me to document the problem. Without the remedy ticket and email, I will not be able to offer any accommodation for the problem.

### **Online Exams**

The online exams will be available on Blackboard for a four hour period, 6 pm until 10 pm. Once you begin the exam, you have 2.5 hours within the four hour period to complete it in one sitting. For instance, if you begin the exam at 6:30 pm, then you have until 9 pm to complete it. If you experience technical problems with launching or completing the online exams, you should immediately call the student Blackboard help desk at 940-565-2324 to report the problem and get assistance or at least complete a remedy ticket. In deciding how to deal with problems of this nature, I will rely on the help desk report, so it is very important that you contact the help desk quickly. If the student help desk cannot resolve the problem in a timely manner, you should then immediately email me to document the situation. If the help desk reports to me that the problem

is due to a flaw in the exam or a malfunction of Blackboard, I will consider allowing you more time to complete the exam or allowing you to take a makeup exam at a later date. If the help desk reports no Blackboard or exam problems and your classmates report no problems, then I will assume that the problem is local with your computer or system and you will be required to take the comprehensive exam in lieu of Exam III at the end of the term to make up the exam that you could not complete. You should check that any computer that you plan to use for the exam has been properly set up for Blackboard before the exam begins. Be sure that you go through the *UNT Start Here Orientation* located under the *Start Here* tab prior to the exam.

### **Graded Discussions**

I will post four graded discussion topics during the term. In order to receive credit for participation in each of the discussions, you must make at least two posts to the discussion thread, at least one of which must be a response to another student's post. I will post an announcement when the discussion topics become available. Each discussion is worth a maximum of ten points.

### **Netiquette**

- Posts to the discussion should be complete but concise. Our class is relatively small, but for large classes, reading lengthy, multi-paragraph posts is too time consuming.
- Make a valuable contribution. Posts like "I agree" or "Good point" are unacceptably short
- Restrict your comments to the original topic.
- Most importantly, be respectful of other's opinions.

### **PDF Files**

Some of the course materials will be in Adobe Acrobat (pdf) format, so you will need Acrobat Reader to access those materials. Free downloads of Adobe Reader are available online. Exam homework assignments should be scanned to a pdf file for electronic submission, so you will need access to a device that can scan to pdf. **Please note that the Blackboard Assignment Tool that you will use to submit the exam homework will only accept Adobe pdf, Word, or Excel files. It will not accept jpeg, etc. files, so using a camera to capture the homework will not work. You will receive no credit for homework submitted an incorrect format.**

## Excel

Some of the assignments may require the use of Excel spreadsheets, so you will need access to a recent version of Excel.

## Grading

Exam I		200 points
Exam II		200 points
Exam III		200 points
Quizzes	approx.	230 points
Homework	approx.	115 points
Discussions	approx.	40 points

Total approx. 985 points

## Exams

I will not return the exams or provide online solutions to exam questions. Course materials such as class assignments, slides, and quizzes should be adequate to explain any exam problem concepts. You are always welcome to make an appointment and stop by my office to review your exams.

## Makeup Exams

The exam dates are posted in the course outline at the end of this syllabus. If you have a known work-related or important personal event conflict with any of the exam dates and **you inform me in writing (email is ok) by June 10**, I will consider administering a makeup exam near the end of the term. I will not be willing to reschedule the exams to accommodate travel plans, weekend recreational activities, etc. since you know the exam date well in advance. Otherwise, the remedy for missing an exam for **any** reason (e.g. major or minor medical problems, traffic or car problems, local computer problems that prevent you from beginning or completing an exam) is to take the comprehensive final exam in lieu of Exam III. Exam III will not be comprehensive, unless you miss Exam I or Exam II for any reason. Also, if you have taken Exams I and II, but are not satisfied with your score, you can choose to take the comprehensive exam instead of Exam III. Your score on the comprehensive exam will count for Exam III and will replace your lowest score on either Exam I or Exam II.. If you miss Exam III or the comprehensive exam without advising me beforehand, you must present a documented university approved excuse for the absence like a physician's note in order to be allowed to make up the exam. If you have an approved excuse, I will give you a grade of incomplete for the summer term and require that you take a makeup exam after the fall semester begins to complete the course requirements.

There will be no method of accumulating points toward the final grade other than those listed above. Exams will not be administered at any time other than that scheduled for the entire class except under very extreme circumstances (plane reservations and travel plans that conflict with the exam do not qualify). A grade of incomplete will be given only in extreme cases in keeping with university policy.

**I do not release grade information over the telephone or by e-mail. Grades will be posted**

## **on Blackboard.**

**Grade Scale:** A 90% or greater      D 60-69%  
                  B 80-89%                    F less than 60%  
                  C 70-79%

### **Contacting Me**

I will check the Blackboard class page and my email at least once each weekday. Use my Outlook account to send me an email (impson@unt.edu). I do not check my Blackboard email on a regular basis. My office phone number is also listed at the beginning of this syllabus. I will normally respond to your emails within one day.

### **Contacting You**

I will use the announcement tool to inform you of any schedule changes, changes in assignments, due date changes, etc., so be sure to check for new announcements each time you log in. For blanket emails to the entire class, I will send the email to your EagleConnect account, but if you need to email me, please use my Outlook account as noted above.

### **Disability Accommodation**

The University of North Texas makes reasonable academic accommodation for students with disabilities. Students seeking accommodation must first register with the Office of Disability accommodation (ODA) to verify their eligibility. If a disability is verified, the ODA will provide you with an accommodation letter to be delivered to faculty to begin a private discussion regarding your specific needs in a course. You may request accommodations at any time, however, ODA notices of accommodation should be provided as early as possible in the semester to avoid any delay in implementation. Note that students must obtain a new letter of accommodation for every semester and must meet with each faculty member prior to implementation in each class. For additional information see the Office of Disability Accommodation website at <http://www.unt.edu/oda> {<http://www.unt.edu/oda>}. You may also contact them by phone at 940.565.4323.

### **Academic Dishonesty**

Academic dishonesty is defined in the UNT Policy on Student Standards for Academic Integrity. Any suspected case of Academic Dishonesty will be handled in accordance with the University policy and procedures. Possible academic penalties include a grade of "F" in the course. You will find the policy and procedures at <http://vpaa.unt.edu/academic-integrity.htm>

If I suspect that you have engaged in academic dishonesty, I will deal with the situation as outlined in the University Policy shown above. You will be allowed to remain in the class during the entire time that the academic misconduct accusation is being investigated, adjudicated, and appealed. As noted above, the maximum academic penalty that can be assessed by an instructor is an F in the course. However, university officials use the academic misconduct information to decide if other misconduct sanctions are then to be applied, and the student has separate rights to appeal those decisions, remaining in the class until all appeals are exhausted.

## Student Perceptions of Teaching (SPOT)

Student feedback is important and an essential part of participation in this course. The student evaluation of instruction is a requirement for all organized classes at UNT. The short SPOT survey will be made available to provide you with an opportunity to evaluate how this course is taught. You will receive an email from "UNT SPOT Course Evaluations via *IASystem* Notification" ([no-reply@iasystem.org](mailto:no-reply@iasystem.org)) with the survey link. Please look for the email in your UNT email inbox. Simply click on the link and complete your survey. Once you complete the survey you will receive a confirmation email that the survey has been submitted. For additional information, please visit the spot website at [www.spot.unt.edu](http://www.spot.unt.edu) or email [spot@unt.edu](mailto:spot@unt.edu).

## Eagle Connect Account

All students should activate and regularly check their EagleConnect (e-mail) account. EagleConnect is used for official communication from the University to students. Many important announcements for the University and College are sent to students via EagleConnect. For information about EagleConnect, including how to activate an account and how to have EagleConnect forwarded to another e-mail address, visit <https://eagleconnect.unt.edu/>

## Course Outline

I reserve the right to make minor changes to the course outline during the semester.

Week	Topic	Chapter	Quiz or Exam Date	Homework or Project Due Date
Beginning				
6/6	Class Begins			
	Financial Management	1	6/08	
	Time Value of Money	2	6/10	6/11 E1Hwk1
	Time Value of Money	2	6/12	6/13 E1Hwk2
6/13	Bond Valuation	3	6/13	6/14 E1Hwk3
	Stock Valuation	4	6/14	6/15 E1Hwk4
	<b>Exam I (6:00 - 10:00 PM CDT)*</b>		6/16	
	Introduction to Risk and Return	7	6/18	

6/20	Portfolio Theory	8	6/20	6/21 E2Hwk1
	CAPM	8	6/22	6/23 E2Hwk2, E2Hwk3
	Cost of Capital	**	6/24	6/24 E2Hwk4
	Capital Structure Quiz	**	6/25	6/25 E2Hwk5
	Leveraged Betas, Terminal Value			6/26 E2Hwk6, E2Hwk7
6/27	<b>Exam II (6:00 - 10:00 PM CDT)*</b>		6/27	
	Capital Budgeting	5	6/29	
	Capital Budgeting	6	7/1	7/3 E3Hwk1
	Leasing	16	7/3	7/6 E3Hwk2
7/4	Payout Policy	25	7/5	
	<b>Exam III or Comprehensive Exam (6:00 - 10:00 PM CDT)*</b>		7/8	

\* You have 2.5 hours within the four hour block to complete the exam.

\*\* For chapters 17,18, and 19 you are responsible for only the following pages:

Chapter 17: pp. 427 - 438

Chapter 18: Section 18.1, pp. 449 - 452 and pp. 465 - 469

Chapter 19: pp. 484 - 487