FINA 3770.009
Introduction to Finance and Financial Management

Class Meetings: 3:30 PM – 4:50 PM on Tuesdays and Thursdays
Classroom: BLB 070
Office Hours: 2:00 PM – 3:20 PM Tuesdays and Thursdays or by appointment
Instructor: Mohammed Alhashim
Email: Mohammed.Alhashim@unt.edu (Preferred method of communication)
Office: BLB 313B

Note: Depending on the learning progress of the class and/or unexpected circumstances, I reserve the right to change items or rules on this syllabus. If there is any change, I will make an announcement in the class and post it on the Blackboard.

Course Description: This course provides an introduction to finance and financial markets. Topics covered include an overview of the money and banking system, interest rates, the time value of money, asset valuation, financial information, financial analysis and decision-making, and the institutional structure of securities markets.

Prerequisites: Completion of pre-business requirements, including ACCT 2010 and ACCT 2020 or equivalent courses (completed with grades of “C” or better), or consent of the department.

Required Textbook: Foundations of Finance by Keown, Martin, and Petty; 9th edition; Pearson. Note: For each chapter, I will distribute handouts of lecture slides and practice problems that are intended to supplement the textbook. To thoroughly understand the basic financial concepts, you are required to read the textbook.

Required Calculator: Texas Instruments BA II Plus is highly recommended and is the only calculator that I will use for in-class problems. However, if you choose to use another type of financial calculator, please make sure that it is able to calculate time value of money problems and you can operate it comfortably.

Email Policy: If I need to contact you to convey class-related information, in keeping with University policy, I ONLY will use your official UNT email address. Thus, it is YOUR responsibility to check your UNT email on a regular basis. I will NOT reply unofficial emails sent from personal accounts such as Yahoo, Gmail etc. If you send an email to me, please only use your official UNT email account and do the following: (1) use the phrase "FINA 3770" in the subject heading; (2) make sure your FULL NAME also appears in the subject; (3) sign your
e-mail using your full name. Also, any communication regarding grades must be through official UNT email accounts or in person (university policy).

**BlackBoard Learn:** Blackboard Learn will be utilized to communicate important announcements, distribute class material, and post exam grades. Please be in the habit of regularly checking BlackBoard Learn for class information.

**Tutoring:** The Department of Finance maintains a FREE tutoring lab to assist you with your finance courses. The finance lab is located in BLB 006. You may find supplementary materials in the finance lab that can help you to master the topics covered in this class. Additionally, copies of the textbook are available to use in the lab. For a lab schedule, please refer to http://www.cob.unt.edu/lab/tutor.php or contact the lab at finalab@unt.edu.

**Acceptable Student Behavior:** Student behavior that interferes with an instructor's ability to conduct a class or other students' opportunity to learn is unacceptable and disruptive and will not be tolerated in any instructional forum at UNT. Students engaging in unacceptable behavior will be directed to leave the classroom and the instructor may refer the student to the Center for Student Rights and Responsibilities to consider whether the student's conduct violated the Code of Student Conduct. The university's expectations for student conduct apply to all instructional forums, including university and electronic classroom, labs, discussion groups, field trips, etc. The Code of Student Conduct can be found at www.unt.edu/csrr.

**Electronic Devices:** The use of laptops, cell phones, or any other electronic devices (except for a calculator) is prohibited during class as they distract you and your classmates. If any of your classmates distract you during class by using electronic devices, please email me and I will rectify the situation.

**Lectures and Class Attendance:** Class lectures will closely follow the textbook; however, I may alter the material in order to focus on key topics and concepts. The lectures may consist of material and calculation techniques that are not covered in the textbook. Therefore, consistent class attendance is extremely important to be successful in this class. Class attendance is mandatory. I may take attendance throughout the semester. You are expected to arrive on time and stay until the end of class.

If you must miss class, please obtain the notes from a classmate and download the lecture slides from BlackBoard Learn. You will be responsible for all of the material covered in class as well as any in-class announcements. The university policy regarding attendance can be found at: http://policy.unt.edu/policy-manual.

**NOTE:** There may be other sections of this course taught by other instructors. While attending other sections of the course is helpful in general, it may NOT help you much during exams as the focus of lectures could differ. I will test you on what we cover and focus in class.
Exams: There will be FOUR midterms and a final exam. Each midterm will be held throughout the semester with each covering 2 or 3 chapters of material. At the end of the semester, a departmental final exam will be administered. The final exam is both comprehensive and cumulative.

Note: For multiple choice questions, only what is bubbled on Scantrons will be graded. It is the student’s responsibility to correctly transfer final answers onto Scantrons during exams.

Your lowest scored midterm exam will be dropped from the calculation of your course grade. The final exam CANNOT be dropped. Under no circumstances will an exam be administered to students separately on a day or time different from the date scheduled in this syllabus. If a student has a conflict on an exam day that he or she cannot get out of, he or she will receive a zero for that exam and it will be dropped from the final course grade calculation. No makeup exams are given unless you represent UNT in an official capacity - example: an athlete representing UNT at various games. Under those circumstances, if you let me know ahead of time about a conflict, I will give you a makeup exam.

All tests are True/False or multiple choice questions. Please bring a calculator and a #2 pencil. A financial calculator and a one-page (front and back) reference sheet will be allowed during exams. The size of the reference sheet cannot exceed 8.5X11 inches. You cannot staple or attach pieces of paper together to create your reference sheet.

Below is the schedule for the midterm exams:

- 1st Midterm Exam: **Tuesday, September 18**
- 2nd Midterm Exam: **Tuesday, October 9**
- 3rd Midterm Exam: **Tuesday, October 30**
- 4th Midterm Exam: **Tuesday, November 20**

The final exam is scheduled for **Thursday, December 13 from 4:00-6:00 PM** and no make-up final is offered. If you happen to miss the final exam, you will receive a grade of zero for the final exam and it will be calculated toward your course grade. Special circumstances will be handled at the discretion of the instructor and in accordance with university policy. Also, there will be no office hours during finals week.

I will post exam scores on Blackboard Learn after I finish grading. In general, I will not spend much time reviewing exam questions in class following an exam. If you would like me to go over a particular question, please ask me in class or come see me during office hours.
Grading: I will drop the lowest score of your midterm exams before calculating final course grades. If you miss any of the midterm exams, that will become your lowest score. The final exam cannot be dropped. Each midterm exam is worth 20% of your semester grade and the final exam is worth 40% of your semester grade.

Grade Determination:
Highest Three Midterm Exam Scores (20% each)  60%
Final Exam Score  40%
Total  100%

Grading Scale:
A: 90.00% and above
B: 80.00% - 89.99%
C: 70.00% - 79.99%
D: 60.00% - 69.99%
F: 59.99% and below

I reserve the right to curve grades depending on overall classroom performance. Any curving will only improve a student’s calculated grades and will never reduce them. If your final grade at the end of the semester is just below the cutoff for the next letter grade, you may still receive the higher semester grade. Final course grade decisions will be made at the sole discretion of the instructor. I will treat everyone equally and fairly.

Please be advised that student grades are protected and made private by the Family Educational and Privacy Rights Act of 1974. No one at UNT can discuss the grades of a student except with that student or, in certain circumstances, with the student’s parents. Thus, I cannot discuss the performance of any of other students with you. University policy requires that grades be assigned to individual students on the basis of the individual student’s performance in the class and in compliance with the grading criteria set forth in the course syllabus.

Grade Appeals: All grade appeals must be done within one week of the posted grade date. I will not look into grades appealed after 1 week past the date of grade postings for any exam. If you think that your grade (not someone else’s) was awarded inequitably, please refer to the University Policy on Grade Appeals. You can access the policy by following this link: https://policy.unt.edu/policydesc/grade-appeals-procedure-15-2-7.

Homework: You are expected to read the assigned chapters before each class session begins. Solutions for problems at the end of the chapter will be provided after we finish a chapter. The problem sets will not be graded for credit; however, midterm exams and the final exam will be highly related to these problem sets.

Incompletes: I will adhere to the university policy regarding the assignment of a grade of “Incomplete.” Students will not be assigned a grade of incomplete unless he or she is in compliance with the university policy that can be found at http://registrar.unt.edu/grades/incompletes.
Dropping the Course: To drop my class, go to the FIREL department office on the second floor of the BLB (Room 212) and see any of the staff members in the office. Fill in the top part of the drop form and they will sign the form with a grade of “W.” Watch for deadlines to drop. You need not see me in order to drop the course.

Disability Accommodation: The University of North Texas is on record as being committed to both the spirit and letter of federal equal opportunity legislation; reference Public Law 92-112 – The Rehabilitation Act of 1973 as amended. With the passage of federal legislation entitled Americans with Disabilities Act (ADA), pursuant to section 504 of the Rehabilitation Act, there is renewed focus on providing this population with the same opportunities enjoyed by all citizens. I am required by law to provide “reasonable accommodations” to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty of their need for accommodation and in providing authorized documentation through designated administrative channels. For additional information, see the Office of Disability Accommodation website at http://disability.unt.edu. If you need an accommodation, please contact me as soon as possible but no later than the second week of class.

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 university policy and procedures. Students are expected to maintain a high level of ethical conduct in this course. Evidence of academic dishonesty will result in a grade of “F” and expulsion from this course.

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 survey will be made available during weeks 13 and 14 of the long semesters to provide students with an opportunity to evaluate how this course is taught. Students will receive an email from "UNT SPOT Course Evaluations via IASystem Notification" (no-reply@iasystem.org) with the survey link. Students should look for the email in their UNT email inbox. Simply click on the link and complete the survey. Once students complete the survey they will receive a confirmation email that the survey has been submitted. For additional information, please visit the spot website at www.spot.unt.edu or email spot@unt.edu.

Some Helpful Study Hints:
1. Come to class EVERY DAY and come ON TIME.
2. Do readings before each class (at least skim textbook chapters in advance).
3. Take copious notes during lectures (handouts are not complete and comprehensive).
4. Review the lectures afterwards with your study group.
5. Work on homework questions in groups and alone.
6. Do the "practice" exercises in the textbook and given during the lecture after EVERY class.

Good luck and have a great semester!
Lecture Topics

1. Introduction to Financial Management
   - Five Principles that Form the Foundations of Finance
   - The Role of Finance in Business
   - Legal Forms of Business Organization

2. Financial Markets and Interest Rates
   - Types of Financial Markets
   - Rates of Return in Financial Markets
   - Interest Rate Determination

3. Financial Statements and Cash Flows
   - Key Concepts in Financial Accounting
   - Financial Statement Analysis
   - Income Taxes and Finance

4. Evaluating a Firm’s Financial Performance
   - The Purpose of Financial Analysis
   - Measuring Key Financial Relationships
   - Limitations of Financial Ratio Analysis

5. Time Value of Money
   - Compound Interest, Future and Present Value
   - Annuities and Perpetuities
   - Comparing Interest Rates

6. Risk, Return, and the CAPM
   - Expected Return and Standard Deviation
   - Risk and Diversification
   - The Investor’s Required Rate of Return (CAPM)

7. Valuation and Characteristics of Bonds
   - Types of Bonds
   - Terminology and Characteristics of Bonds
   - Bond Valuation and Yields

8. Valuation and Characteristics of Stock
   - Types of Stock
   - Terminology and Characteristics of Stock
• Stock Valuation and Expected Rate of Return

9. Cost of Capital
• Key Definitions and Concepts
• Weighted Average Cost of Capital (WACC)

10. Capital-Budgeting Decisions
• Finding Profitable Projects
• Capital-Budgeting Decision Criteria
• Ranking Mutually Exclusive Projects
## Tentative Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Meeting</th>
<th>Topic</th>
<th>Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8/28</td>
<td>Syllabus, Introduction to Financial Management</td>
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<tr>
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<td>8/30</td>
<td>Introduction to Financial Management</td>
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</tr>
<tr>
<td>2</td>
<td>9/4</td>
<td>Financial Markets and Interest Rates</td>
<td>2</td>
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<tr>
<td></td>
<td>9/6</td>
<td>Financial Markets and Interest Rates</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>9/11</td>
<td>Financial Statements and Cash Flows</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>9/13</td>
<td>Financial Statements and Cash Flows</td>
<td>3</td>
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<tr>
<td>4</td>
<td>9/18</td>
<td><strong>MIDTERM 1</strong></td>
<td>1-3</td>
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<td>9/20</td>
<td>Evaluating a Firm’s Financial Performance</td>
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<td>5</td>
<td>9/25</td>
<td>Evaluating a Firm’s Financial Performance</td>
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<td></td>
<td>9/27</td>
<td>Time Value of Money</td>
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<tr>
<td>6</td>
<td>10/2</td>
<td>Time Value of Money</td>
<td>5</td>
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<td></td>
<td>10/4</td>
<td>Finish Chapter 5 and Review</td>
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<td>10/9</td>
<td><strong>MIDTERM 2</strong></td>
<td>4-5</td>
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<td>7</td>
<td>10/11</td>
<td><strong>Out of Class Assignment (no class)</strong></td>
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<tr>
<td></td>
<td>10/16</td>
<td>Time Value of Money (advanced)</td>
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<td>10/18</td>
<td>Valuation and Characteristics of Bonds</td>
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<tr>
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<td>10/23</td>
<td>Valuation and Characteristics of Bonds</td>
<td>7</td>
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<tr>
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<td>10/25</td>
<td>Finish Chapter 7 and Review</td>
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<td>10/30</td>
<td><strong>MIDTERM 3</strong></td>
<td>5&amp;7</td>
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<td>Risk, Return, and the CAPM</td>
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<td>Risk, Return, and the CAPM</td>
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<td>11/8</td>
<td>Risk, Return, and the CAPM</td>
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<tr>
<td>11</td>
<td>11/13</td>
<td>Valuation and Characteristics of Stock</td>
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<tr>
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<td>11/15</td>
<td>Valuation and Characteristics of Stock</td>
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<td>12</td>
<td>11/20</td>
<td><strong>MIDTERM 4</strong></td>
<td>6&amp;8</td>
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<td>13</td>
<td>11/22</td>
<td>Thanksgiving break (no classes)</td>
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## Tentative Schedule (continued)

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<tr>
<th>Week</th>
<th>Meeting</th>
<th>Topic</th>
<th>Chapter</th>
</tr>
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<tbody>
<tr>
<td>14</td>
<td>11/27</td>
<td>Cost of Capital</td>
<td>9</td>
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<tr>
<td></td>
<td>11/29</td>
<td>Cost of Capital</td>
<td>9</td>
</tr>
<tr>
<td>15</td>
<td>12/4</td>
<td>Capital-Budgeting Decisions</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>12/6</td>
<td>Finish Chapter 10 and Review</td>
<td>10</td>
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<tr>
<td></td>
<td>12/13</td>
<td>DEPARTMENTAL FINAL EXAM (4-6 PM, location TBD)</td>
<td>1-10</td>
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