FINANCIAL MANAGEMENT I

Course Description:

FINA 3310, Financial Management, is an introductory survey of financial management issues and is a business core requirement. The course emphasizes planning and decision making. It covers specific topics such as discounted cash flow analysis, stock and bond valuation, financial intermediation, organizing, raising and managing capital, capital investment, risk analysis, and financial statement analysis. Lectures and class discussion are supplemented with sample problems, and outside readings. Quantitative techniques are introduced to facilitate analysis.

Required Materials:

• Textbook: Essentials of Corporate Finance, 8th edition, by Stephen Ross; Randolph Westerfield; Bradford Jordan,
• Internet Access for Connect™ Finance, StockTrak, and Blackboard 9.1.
• Financial Calculator (Texas Instrument’s BA II Plus only or any other financial calculator - no scientific calculators will be allowed)
• StockTrak software

Learning Objectives:

By the end of this course, the students should be able to:

• Construct a company’s financial statements, calculate financial ratios and make inferences about its financial characteristics and position.
• Calculate the present and future values of a lump sum or a series of cash flows.
• Differentiate the characteristics of stocks and bonds and estimate the prices of bonds and stocks.
• Understand the implications and applications of the Capital Asset Pricing Model (CAPM) and the Security Market Line (SML), and the relationship between risk and return.
• Perform capital budgeting and apply various criteria to determine if an investment is acceptable.
• Effectively review and prepare for the Major Field Test for business majors.
Major Course Requirements:

Three midterm tests and a final exam will be given. The final exam will be cumulative. Test materials will come from lecture notes, the text, assigned readings, homework, and class discussion. Test format is primarily multiple choice; questions will emphasize the understanding and application of concepts and topics covered. All tests are closed books, closed notes. Only a formula sheet will be allowed during examinations. To protect the integrity of the test banks employed, exams will not be returned. However, exams are available for review in my office during scheduled office hours for two weeks after the exam. Students are responsible for all material in the assigned readings, handouts, homework, and class presentations. No make-up exams will be given. To facilitate student mastery of financial concepts, homework problems and quizzes will be assigned following the discussion of each major topic area. All homework problems and quizzes will be taken online. The lowest quiz grade will be dropped. Students are required to engage in trading (using virtual funds and the StockTrak software). Students should prepare for class meetings by studying the assigned text materials and preparing problems and other assignments prior to class.

Grades will be assigned based on the following weights:

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
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<tbody>
<tr>
<td>3 Tests, (100 points each)</td>
<td>300</td>
</tr>
<tr>
<td>Final Exam (Cumulative)</td>
<td>350</td>
</tr>
<tr>
<td>Homework</td>
<td>100</td>
</tr>
<tr>
<td>Quizzes</td>
<td>150</td>
</tr>
<tr>
<td>StockTrak trading and report</td>
<td>100</td>
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</tbody>
</table>

**Total points** | **1000 points**

Letter Grades Assignments (tentative)

If your points are

- at least 900    A
- 800 to 899      B
- 700 to 799      C
- 600 to 699      D
- below 600       F
Course Policies

Attendance/Tardiness
Experience has shown that regular attendance is essential to successful completion of any course. Attendance will be taken at every class meeting.

Late Work and Make-Up Exams
No make-up exams will be administered. If you must miss an exam, notify me in advance and provide written documentation that the absence was an excused University activity, a severe illness, or a dire emergency. Otherwise a zero will be assigned for the exam. All assignments are to be turned in at the beginning of the class on their due date unless otherwise instructed. Late assignments will not be accepted.

Cell Phone/Electronic Device Usage
I expect everyone to follow all rules of common courtesy during classroom lecture and discussion. The presence of cell phones and pagers as well as other disruptive items or actions are prohibited in the classroom. Laptops used for any purpose other than class work is prohibited.

Academic Integrity/Plagiarism
University students are expected to conduct themselves in accordance with the highest standards of academic honesty. Academic misconduct for which a student is subject to penalty includes all forms of cheating, such as illicit possession of examinations or examination materials, falsification, forgery, complicity or plagiarism. (Plagiarism is the presentation of the work of another as one’s own work.) In this class, academic misconduct or complicity in an act of academic misconduct on an assignment or test will result in a disciplinary action.

Dropping a Class
I hope that you never find it necessary to drop this or any other class. However, events can sometimes occur that make dropping a course necessary or wise. Please consult with me before you decide to drop to be sure it is the best thing to do. Should dropping the course be the best course of action, you must initiate the process to drop the course by going to the Student Services Center and filling out a course drop form. Just stopping attendance and participation WILL NOT automatically result in your being dropped from the class. Thursday, June 16, 2016, is the last day to drop a class with an automatic grade of “W” this term.

Classroom/professional behavior
Texas A&M University-Corpus Christi, as an academic community, requires that each individual respect the needs of others to study and learn in a peaceful atmosphere. Under Article III of the Student Code of Conduct, classroom behavior that interferes with either (a) the instructor’s ability to conduct the class or (b) the ability of other students to profit from the instructional program may be considered a breach of the peace and is subject to disciplinary sanction outlined in article VII of the Student Code of Conduct. Students engaging in unacceptable behavior may
be instructed to leave the classroom. This prohibition applies to all instructional forums, including classrooms, electronic classrooms, labs, discussion groups, field trips, etc.

**Grade Appeals**

As stated in University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures, a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are accessible through the University Rules Web site at [http://www.tamucc.edu/provost/university_rules/index.html](http://www.tamucc.edu/provost/university_rules/index.html). For assistance and/or guidance in the grade appeal process, students may contact the Dean’s office in the college in which the course is taught or the Office of the Provost.

**Disabilities Accommodations**

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please call or visit Disability Services at (361) 825-5816 in Corpus Christi Hall 116.

If you are a returning veteran and are experiencing cognitive and/or physical access issues in the classroom or on campus, please contact the Disability Services office for assistance at (361) 825-5816.

**Statement of Academic Continuity**

In the event of an unforeseen adverse event, such as a major hurricane and classes could not be held on the campus of Texas A&M University–Corpus Christi; this course would continue through the use of Blackboard and/or email. In addition, the syllabus and class activities may be modified to allow continuation of the course. Ideally, University facilities (i.e., emails, web sites, and Blackboard) will be operational within two days of the closing of the physical campus. However, students need to make certain that the course instructor has a primary and a secondary means of contacting each student.
FINA-3310:001–Summer 1, Preliminary Schedule

<table>
<thead>
<tr>
<th>Date(s) (to be announced)</th>
<th>Chapter Topic</th>
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<tbody>
<tr>
<td></td>
<td>Introduction to Syllabus, Bb9, Connect</td>
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<tr>
<td>1</td>
<td>Introduction to Financial Management</td>
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<tr>
<td>2</td>
<td>Financial Statements, Taxes, and Cash Flow</td>
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<tr>
<td>3</td>
<td>Working with Financial Statement</td>
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<tr>
<td>4</td>
<td>Introduction to Valuation: The Time Value of Money</td>
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Midterm 1 (chapters 1-4, closed notes and books)

| 5     | Discounted Cash Flow Valuation |
| 6     | Interest Rates and Bond Valuation |
| 7     | Equity Markets and Stock Valuation |
| 8     | Net Present Value and Other Investment Criteria |

Midterm 2 (chapters 5-8, closed notes and books)

| 9     | Making Capital Investment Decisions |
| 10    | Some Lessons from Capital Market History |
| 11    | Risk and Return |

End of StockTrak simulation game

StockTrak report – Due date

| 12    | Cost of Capital |

Midterm 3 (chapters 9-12, closed notes and books)

Final Exam (comprehensive, chapters 1-12, closed books and notes, only a single formula sheet is allowed)
Where and when: Regular classroom (OCNR131), Thursday, June 30, 2016, 12:00 PM to 1:55 PM