



*TERRY College of Business, The University of Georgia*

## **FINA7020 – MBA Financial Management**

# **S Y L L A B U S**

Summer Semester 2008; Call-ID: 82-115; Time and Place: Tue & Thu 8:00 – 11:13, Sanford 309  
**Instructor:** Matt BLASKO, Ph.D. ; Brooks Hall G6, mblasko@uga.edu

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The course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary.

### **A. COURSE FOCUS, OBJECTIVES, and STRUCTURE**

The course provides a review of financial decision making. Given the concentrated nature of the course, we will cover the basic concepts of corporate finance, investments, international finance, and financial markets and institutions. Students will be able to apply the *Time Value of Money* and *Risk-Return* principles. Further topics include the Law of One Price and Asset Pricing, Arbitrage, Diversification, Market Efficiency, Capital Asset Pricing Model, Net Present Value, Cost of Capital.

The course will be composed of lectures, in-class and take-home problem solving and class discussions. Students are encouraged to ask questions and introduce current (relevant) topics from business periodicals such as the *Wall Street Journal*.

### **B. PREREQUISITES**

Students are expected to have an undergraduate business degree, or to have taken finance courses in the past. You should be comfortable doing Excel exercises and be familiar with business statistics.

### **C. INSTRUCTOR CONTACT**

**Office Hours: TUE & THU 11:30 – 12:30 pm**, and by appointment. Brooks Hall G6.

Students are encouraged to stop by during my office hours. Short inquiries are most efficiently and preferably handled before or after each class or thru **email** : **mblasko@uga.edu** . The response time is very short – usually less than 24 hours. Because of various technology and spam-filter issues, please email again if I don't respond within two days. In case of an emergency, call my office: 706-542-2920. Longer questions require an office visit. You will have to read all announcements posted on the course website.

### **D. COURSE WEBSITE**

The official course website is: <http://mblasko.myweb.uga.edu/fina7020/>

Students are expected to check the website frequently and **read all announcements posted** there! This website is the official source of information about the class, homework, exam, grades. An outline of my lectures (lecture notes) will be posted there as well. My lecture notes should help you focus on the issues rather than tedious notes taking, but they are not a substitute for regular class attendance.

## E. COURSE REQUIREMENTS and GRADING

Requirement :

**(a) Final Exam:** 45%.

**(b) Mini case-study: Warren Buffett:** 10%. Available thru <http://study.net>

**(c) Midterm quiz:** 15%. On time value of money concept, valuation.

**(d) Homeworks, mini-projects:** 25%. Financial statements, valuation, NPV.

**(e) Class Participation/Bonus:** 5%. The class requires a regular class attendance and a substantial effort devoted to reading assigned chapters and problem solving. To obtain the equivalent understanding of one hour of class time takes about three hours of additional study. Students are encouraged to actively participate in class discussions, raise questions, and point to interesting (course relevant) current events. Extra bonus points are awarded for active class participation.

Final Grades: Your course grade (A thru F, W) will be consistent with the official UGA grading scale and will be determined by the total course points (0-100) calculated as the weighted average of individual grade points. Approximate scale: A (corresponds to 90% or more total points), B (90-80), C (80-70), D (70-60), F (60-0). I may assign the plus/minus grades, except the C- grade.

Exams: Exams will be administered at the assigned times only, and the missed exam will carry a grade of zero unless explicitly excused. Formats and scope will be announced at least one class period prior to the test date. The lecture notes, handouts, assignments, textbook (to a limited extent), and any other topics discussed in class provide exam material. Since these materials do not necessarily overlap, reading the text, and taking class notes should all be positive net-present-value projects.

**Academic Honesty.** *All academic work must meet the standards contained in "A Culture of Honesty." All students are responsible to inform themselves about those standards before performing any academic work.* Honesty is a fundamental principle of academic, business and community life. Students are expected to demonstrate the highest degree of honesty in performing assigned work. Please consult the UGA academic code of honesty. Matters that are unclear should be discussed with the Instructor. Academic honesty means performing all work without plagiarism, cheating, lying, giving or receiving unauthorized assistance. Examples of academic dishonesty include: a) using someone else's words, opinions, or ideas without giving proper credit to the source; b) copying or allowing another to copy answers during a quiz or exam; c) using unauthorized material to complete an assignment.

## F. COURSE MATERIALS

**(1) Textbook:** *Corporate Finance*, by Ross, Westerfield, Jaffe. McGraw-Hill. ISBN: 0073337188. I recommend the textbook above, BUT any 'Corporate Finance' textbook is fine.

**(2) Warren Buffett case study.** Available thru <http://study.net> See the UGA - FINA7020 course page that I have set up there. There will be a nominal royalty charge (to Darden Business School, University of Virginia) for the case use.

**(3) You need a financial calculator** . Please have your financial calculator ready for class, and the final exam. It is your responsibility to know how your calculator works, though we'll review the basic functions in class. The least expensive calculator that does the net present value analysis is fine. My favorite is the Texas Instruments TI – BAII (any of its various versions).

## G. CLASS SCHEDULE

	Date	Topic	Lecture Notes
1	July 8, Tue	Introduction; Finance defined; Overview of the basic economics and finance principles Warren Buffett mini-case, your analysis is DUE.	L01
2	July 10, Thu	Markets and Institutions - Terminology Time-Value of Money Principle, Valuation – Stocks, Bonds HW1 is DUE : Sample Exam	L02, L03, L04
3	July 15, Tue	Pricing cont. Financial Statements, Capital Budgeting, NPV & IRR rules HW2 is DUE : Pricing	L05, L06
4	July 17, Thu	Investments, Efficient Markets The Risk-Return Principle HW3 is DUE : Financial Statements	L07
5	July 22, Tue	Investments cont. Portfolio Theory, CAPM HW4 is DUE : Gizmo project analysis	L07
6	July 24, Thu	Corporate Financial Policies Capital Structure, Cost of Capital, Dividend Policy HW5 is DUE : CAPM, required rates, beta estimation	L08
7	July 29, Tue	Optional topics : International finance, Derivatives, Risk Management Review	L09
8	July 31, Thu	FINAL EXAM, 8 – 10 am	

**NOTE:** Given the 'refresher' nature of the course, the schedule is subject to change and we may include/exclude topics based on your 'classwide' requests.

**Tips:** The end-of-chapter *Key Terms* and the end-of-textbook *Glossary* provide excellent exam material.