

FINA 3000H: Financial Management
Fall 2009
MWF, 9:05 am- 9:55 am, Sanford 209

*will be academically honest in all of my academic work
and will not tolerate academic dishonesty of others."*

— UGA Student Honor Code
<http://www.uga.edu/honesty/>

Instructor: Dr. Chris Pope
437 Brooks Hall, 583-0386, cpope@terry.uga.edu
Office Hours: 11 am -12 noon, Tuesday and Thursdays

Master Syllabus Elements:

a) FINA 3000 H: Financial Management (HONORS)

b) Course Description: The basic concepts and analytical tools of finance in both corporate finance and investments. Topics include risk and return, financial institutions, efficient markets, valuation theory, capital budgeting, portfolio theory, cost of capital, and international finance. Discussion and analysis of specific applications of these topics.

c) Prerequisites, corequisites, and cross-listings for the course:
ACCT 2101 and (MIST 2090 or CSCI 1100-1100L) and permission of Honors

d) Course objectives or expected learning outcomes:
This course provides an introduction to the field of finance. As a social science, finance is the study of how to allocate scarce resources over time under conditions of uncertainty. Students pursuing a major in finance should view FINA 3000H as a first course and introduction to corporate finance, financial investment theory, financial markets, and the institutions of finance. Elective courses in the finance curriculum use the concepts introduced in this course as the starting point for more detailed discussions of specialized areas in finance. FINA 3000H also provides a broad introduction to finance for those students who do not intend to focus in finance.

e) Topical outline:

1. Interpreting & Forecasting Financial Statements
2. Time Value of Money
3. Capital Budgeting
4. Principles of Asset Valuation
5. Overview of Risk Management
6. Hedging, Insuring, & Diversifying
7. Risk & Reward
8. Forward & Future Prices
9. Options & Contingent Claims
10. Corporate Finance: Financing Decisions

f) University Honor Code and Academic Honesty Policy:

As a University of Georgia student, you have agreed to abide by the University's academic honesty policy, "A Culture of Honesty," and the Student Honor Code. All academic work must meet the standards described in "A Culture of Honesty" found at: <http://www.uga.edu/honesty>. Lack of knowledge of the academic honesty policy is not a reasonable explanation for a violation. Questions related to course assignments and the academic honesty policy should be directed to the instructor.

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

Class Syllabus Elements:

h) Principal course assignments –

The field of finance is very broad, covering investments, corporate financial policy, security markets, banking and other intermediaries, the role of government and the international sector, and personal finance. In FINA 3000H, we survey several of these key components of the financial system. The goal is for finance majors to have a strong background for their major courses, and for non-finance majors, the goal is to develop a set of finance tools that will be useful in future employment and daily life.

Tentative Outline of Topics and Assignments:

Unit 1: Introduction to Core Concepts of Finance

A) Debt, Equity, and Capital Structure

B) Financial Ratios and Forecasting

Unit 2: Time Value of Money

Unit 3: Bond and Equity Valuation

Unit 4: Investment Decision Rules

Unit 5: Capital Budgeting and Project Cash Flows

Unit 6: Risk

Unit 7: Leverage, Capital Structure, and Value

i) Specific course requirements for grading purposes:

The course grade will be determined by in class tests, homework on myfinancelab, group cases, participation, and a final exam. The final grade will be assigned using the following point scales:

OPTION I

Tests (4 worth 100 points each)	400 points
Myfinancelab HW (10 out of 11)	150 points
Group Cases/Project	100 points
Participation	50 points
Final Exam	<u>100 points</u>
	800 points

OPTION II

Tests (Best 3 of 4, 100 points each)	300 points
Myfinancelab HW (10 out of 11)	150 points
Group Cases/Project	100 points
Participation	50 points
Final Exam	<u>200 points</u>
	800 points

MY FINANCE LAB

150 points out of the total 800 will come from assignments or quizzes on the myfinancelab website. Using the directions at the end of the syllabus, you must enroll in our course site. Almost each week, there will be a homework set to complete that follows course material. The software will help you identify your weaknesses and help you solve problems correctly. The goal is to allow you to improve your knowledge before test day. There will be 11 assignments and you can drop your lowest score.

Case Analysis:

Throughout the semester, we will apply key course material to real-world situations with a Harvard Business School case study. The cases can be purchased from Bel-jean's. I will assign questions to answer for each case. You may work on the case solutions in groups. We will devote one class period to discussing the solution.

Tentative test dates are as follows: 9/11, 10/2, 10/26, 11/20

j) Grading policy

The final grade will be based on the total points earned on the material listed above, weighted as indicated. All students will be ranked by points earned and the final grade will be based on that ranking. Students who do not consistently attend class or contribute to case discussions will be penalized in their participation grade for the course (up to 50 points)

k) Attendance Policy

Attendance for case discussions is mandatory. Students who consistently miss lectures and other class days will have their participation grade decreased. (up to 50 points)

l) Required course material

- *Fundamentals of Corporate Finance*, by Berk, DeMarzo, and Harford, Prentice Hall Publishing, 2009. There are several ways you can purchase the text: (1) Full version, (2) Student Value Edition, or (3) electronic version.
- Access to *myfinancelab* from Prentice Hall
- A financial or programmable calculator is required for the course.

m) Policy for make-up of examinations

There will be NO MAKEUP TESTS FOR ANY REASON. The weight from a missed test will be transferred to the final exam PROVIDING the absence is due to a serious illness, a family emergency or SOME university-sponsored events. If you expect to miss an exam for an approved reason, let me know as soon as possible prior to the exam. You must provide me with a formal written note regarding the situation – preferably before the exam – plus a phone call or note from a physician or other relevant person within one week following the missed exam.

Contact Information:

Dr. Chris Pope
437 Brooks Hall, 583-0386, cpope@terry.uga.edu
Office Hours: 12-1 pm, Tuesday and Thursdays

Communication and Website

Students are welcome to stop by my office during office hours or by appointment. I also respond to e-mail questions as quickly as possible. We have an eLC website for the course. The website will include the powerpoint slides that accompany the lectures, important notices, answers to problems discussed in class, and identification of materials of interest to the class. You are responsible for all information announced in class or posted on the website, including changes to the course syllabus and schedule.