

**FINA 7010-- Financial Management**

**Fall 2009: MLC 348, MWF 1:25 – 2:15**

**Professor Jeffry Netter**

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*"I 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/>

**Master Syllabus Elements:**

**a) FINA 7010 – Financial Management**

**b) Course description** – Intensive analysis of financial decision-making in the firm, emphasizing both investment and financing decisions. Analytical tools of finance are introduced. Valuation concepts, risk-return analysis, project valuation, capital structure, and corporate financing.

**c) Prerequisites, corequisites, and cross-listings for the course** – None (note, though, that this is a graduate-level course open only to graduate students)

**d) Course objectives or expected learning outcomes** –

This course is designed to provide the student with an introduction to the field of finance. Much of the course focuses on the responsibilities, concerns and methods of analysis employed by corporate financial managers as well on the role of financial markets and institutions in our economy. The course includes the application of financial theory to contemporary examples to help you understand the many fundamental changes in the financial markets in recent years. This course serves as a starting point for more detailed discussions of specialized areas in finance.

## **e) Topical outline –**

Introduction to financial management  
Time value of money and valuation  
Capital budgeting decisions  
Capital market theory-Risk and return  
Capital structure and dividend policy  
Options and corporate finance

## **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 –**

This course explores the fundamental topics in finance with a focus on financial decision-making. The goal of the course is to provide students with sufficient exposure to the theories, institutional details and practical applications of finance that students will be able to evaluate situations and arrive at reasoned decisions.

The course will be composed of lectures, class discussion, problem solving and case applications. There is much more to learn about finance than can be covered in this class. Thus, the structure is going to be somewhat flexible and the course outline is tentative. You are encouraged to introduce current topics that have been gathered through your regular reading of the *Wall Street Journal*, the *Financial Times*, the *Economist*, or other periodicals, or other relevant material.

### **Tentative Outline of Topics and Assignments**

This is tentative. Check the class website for more detailed information including the articles and web pages to examine.

#### **Week 1 and Week 2: Introduction, Goals, Time Value of Money**

Examine the class website closely. Review posted articles. We will start with Chapters 1 and 2 in the text. Doing homework problems is critical.

#### **Week 3: Valuation**

Chapters 2 and 3

#### **Week 4 and 5: Valuation and Regulation and Law**

Chapters 3 and 15. Also, see the SEC website and articles posted on the class website.

#### **Week 6: Introduction to Capital Budgeting**

Chapter 4

**Week 7, 8, 9: Risk and Return**

Chapters 5, 6, 7, 8, and 9

**Week 10:**

Catch up

**Week 11: Market Imperfections and Efficient Markets**

Chapters 10 and 11

**Week 12: Capital Budgeting Pitfalls**

Chapter 12

**Rest of term – to be announced.** Topics will include capital structure, options, M&A.**i) Specific course requirements for grading purposes**

Preparation:

The website provides a more detailed schedule than that provided above. All assigned material should be read before class.

Course Grading Policy:

The course grade will be determined by two in-class exams, numerous online homeworks, and online quizzes, professor discretion and a group project, plus a comprehensive final, weighted as indicated. Exams are scheduled as follows (subject to change):

Exam 1	20% of grade	Wed. Sept. 16
Exam 2	20% of grade	Friday November 6
Final Exam	15% of grade	Finals Week
Homeworks & quizzes	30% of grade	Throughout the term
Group project	10% of grade	
Professor discretion	5% of grade	

All requests for review of graded work must be made promptly (within one week of the return of the work) and must be in writing. The request should include clear analysis of why you are requesting a re-grade. The full exam will be re-graded with the possibility that your score will be lowered on the question under review or any other question on the exam. Groups for the group project will be formed early in the term.

**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 may receive up to a 5% penalty on their final grade from professor discretion.

**k) Attendance policy**

Attendance is expected and will be monitored. Poor attendance will be reflected in the professor discretion of the grade. More than five unexplained absences will result in a WF. If you cannot make class, email me the reason.

### **l) Required course material**

- Textbook: Corporate Finance an Introduction by Ivo Welch Prentice Hall 1<sup>st</sup> Edition
- Financial calculator or excel on laptop
- Subscription to My FinanceLab
  
- Watch Squawk Box (MSNBC 6-9 AM) or check out their website or other business news sources including Wall Street Journal and New York Times
  
- Readings that are posted throughout the term. They will be posted in Course materials. Check always for new postings.

### **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. In rare circumstances an exam may be taken early but requests must be made

#### **Contact information:**

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Office hours – Tues. and Wed. 11:00 and by appointment. Check beforehand if possible. I often have unexpected campus meetings.

#### **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 slides that accompany the lectures, important notices, answers to problems discussed in class, readings, 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.