MASTER SYLLABUS ELEMENTS:

A. **FINA 3000** – Financial Management

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.

C. **Prerequisites, corequisites, and cross-listings for the course** – Prerequisites for FINA 3000 are ACCT 2101 and MIST 2090 or CSCI 1100 – 1100L

D. **Course Objectives** – This course is designed to provide students with an introduction to the field of finance. Much of the course focuses on the analytical methods employed by corporate financial executives as well as the role of financial markets in our economy. As an overview, we focus on three fundamental decisions, namely: (1) in which projects should the firm invest (the capital budgeting decision), (2) how should the firm finance those projects (the capital structure decision), and (3) how diversification theory reduces volatility of project and/or equity returns. This course serves as the foundation for more detailed discussions of specialized areas in finance.

E. **Topical Outline** :
   - Financial statements and cash flow
   - Time value of money
   - Annuity and bond valuation
   - Investment decision criteria: NPV, IRR, etc
   - Capital budgeting
   - Financial securities valuation
   - Portfolio theory

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

H. **Principal Course Assignments** - The course will be composed of lectures, class discussion and problem solving. Students are encouraged (class participation is graded) to introduce current topics for discussion gathered through reading of the business press such as the *Wall Street Journal*, *USA TODAY* business section or *Yahoo Finance* (the key is reading about current business and financial issues), and relevant material from work experience. I have spent nearly 30 years in large private and public corporations, most recently in roles as President of several $2B business units and as CFO of several business units up to $6B in revenue. I will bring this experience to class and discuss the practical application of topics covered to real-life issues, bringing relevance to the theoretical rigor that will enable you to better apply what you learn in a variety of situations. Virtually everything we cover in this course, either my business teams or I have used in making real life business decisions, or I have used in personal financial decisions.

The pace of the course is fast and the material is challenging, so it is important that you keep up. Most find that working through problems is the best way to master the material. I assign a number of homework problems from each chapter. We will review the homework in detail in class so that you can develop a complete understanding of the analytical techniques covered and clarify any questions you may have. Work through as much as you can; the more you do, the more you will get out of the course. You will have opportunity to lead the class in reviewing the solutions, so you must be prepared and class participation will be graded. In addition, I recommend that you read through the chapter before coming to class, i.e., attend classes prepared and *do not fall behind*. If you dig a deep enough hole, you may find it difficult to climb out. The Tentative Class Schedule (following) includes more details on what I plan on covering.

**Tentative Outline Of Topics and Assignments:**

- **Chapter 1: Four Types of Firms**
  
  Problems # 3, 4, 6, 8

- **Chapter 2: Financial Statement Analysis**
  
  Problems # 6, 10, 12, 15, 21

- **Chapter 3: Arbitrage and Financial Decision Making**
Problems # 1, 3, 5, 6, 8, 11, 16, 19

- Chapter 4: Time Value of Money
  Problems # 3, 4, 6, 7, 10, 12, 18, 23, 27, 34, 38

- Chapter 5: Interest Rates
  Problems # 1, 7, 10, 13, 23, 24, 28, 31, 33

- Chapter 6: Investment Decision Rules
  Problems # 1, 3, 9, 12, 14, 15, 16, 19

- Chapter 7: Fundamentals of Capital Budgeting
  Problems # 3, 5, 7, 11, 13 14 (a-c)

- Chapter 8: Valuing Bonds
  Problems # 5, 9, 12, 23, 25, 26

- Chapter 9: Valuing Stocks
  Problems # 1, 5, 7, 12, 20, 22

- Chapter 10: Capital Markets and Pricing of Risk
  Problems # 2, 4, 9, 15, 17, 18, 19, 21, 23

- Chapter 11: Optimal Portfolio choice
  Problems # 1, 2, 3, 13, 14, 16, 18, 20

- Chapter 25: Leasing
  Problems # 1, 4, 6

- Chapter 26: Working Capital Management
  Problems # 3, 4, 6, 10, 13, 14, 16

I. Specific Course Requirements for Grading Purposes –
- **Paper**: A 5-7 page paper is required which utilizes some of the analytical methods and/or financial theory covered in the course to either (1) compare two companies’ (in the same industry; student’s choice) financial
and stock performance, or (2) research and discuss a relevant financial topic such as cause and impact of the credit crisis, government “bail-out” of the financial industry, government arranged “bail-out” of AIG or Bear Stearns, the auto companies, etc. I will discuss expectations and items to be covered during class. The paper is due December 7, 2009.

• **Preparation**: You are responsible for devoting the time and effort necessary to master the material covered in this course. You should attend class regularly and prepare for what will be covered, whether lecture or homework problem review. The chapter should be read before class. You are required to work the homework problems, which will result in increased understanding of the material and your success in this class. Exams will cover material from the text, lectures and homework problems.

• **Course Grading Policy** - Your grade will be determined as follows:
  - Exam 1 25%
  - Exam 2 20%
  - Final Exam (Exam 3) 25%
  - Class participation/homework 15%
  - 5-7 page paper 15%

  Exams will be closed book. You will be allowed a formula sheet (one page, one side) covering the basic formulas we have used in the material. For exams, you must show all detailed work used to solve the problem to receive full credit (or partial credit). Financial and programmable calculator capabilities are not to be used during exams. No computers will be allowed for exams.

J. **Grading Policy** – The final grade will be based on the weighted average of points earned on the material listed above. Final grade point ranges will be as follow: A (92-100), A- (90-91), B+ (88-89), B (82-87), B- (80-81), C+ (78-79), C (72-77), C- (70-71), D+ (68-69), D (60-67), F (<60). Students who do not consistently attend class (more than 2 unexcused absences) may receive up to a 5% penalty on their final grade (reduction in their weighted average point total).

K. **Attendance Policy** - Students who do not consistently attend class (more than 2 unexcused absences) may receive up to a 5% penalty on their final grade (reduction in their weighted average point total).

L. **Required Course Material**: 

Please bring your textbook and calculator to class every session. **Laptops and programmable calculators will not be allowed during exams. Financial calculators are approved for exams, but all work toward solutions will have to be shown on the exam.**

M. **Policy for Make-Up of Exams:**

Make up exams will not be offered. With an excused absence (to be reviewed with Instructor in advance) the exam weight will be added to the Final Exam. Excused absence will only be for significant illness or family issue.

**Contact Information:**

Email: alanwolk@terry.uga.edu

Phone: 770-655-0302

If you would like to meet, we can arrange for time before class on Monday’s and Wednesday’s at the Griffin Campus.

**Please turn off cell phones during class. Texting will not be allowed!!!**