

FINA 5311 – Business Financial Management

Summer 2017

Instructor: (Grace) Qing Hao, PhD, CFA
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Office Hours: After class or by appointment.

Section Information: FINA 5311-001 (50260)

Time and Place of Class Meetings:

Mondays and Wednesdays 5:30 pm - 7:50 pm (COBA 253)

Description of Course Content: Students will learn corporate financial theory and apply the techniques to make investment, financing and payout decisions. Prerequisite: ACCT 5301.

Student Learning Outcomes:

1. Develop an ability to understand the basic principles in corporate finance and apply, in real world situations, the techniques that have been developed in corporate finance;
2. Obtain business and finance data from several databases covered in class;
3. Analyze real business cases and make presentations to class peer groups.

Class Website: Blackboard (<http://elearn.uta.edu/>)

Required Textbook and Other Course Materials:

i. Textbook:

1. Ross, Westerfield, and Jaffe: *Corporate Finance*, 10th edition, McGraw-Hill.
(We do not need the S&P card with the textbook.)

2. Supplemental course materials will be provided.

ii. Lecture Notes:

Lecture notes are available at our class website. Please note the lecture notes only contain the subjects that I will cover in more detail in class. They are not a substitute for your own note-taking. It is your responsibility to complete the notes. If you miss a class for any reason, please try to borrow notes from your classmates, then you are welcome to bring remaining questions to my office hours.

iii. Calculator:

You need a **financial calculator** for this class. The financial calculator that I use in class is Texas Instruments BA II Plus, but you can use other types of financial calculator. Please bring your financial calculator to our class, since we will often have in-class exercises. Please remember to bring your financial calculator to our exams.

Course Syllabus

Descriptions of major assignments and examinations:

i. Practice Problems:

Some of the end-of-chapter problems in our textbook are recommended as practice problems. Solutions to these problems are available at our class website. I will go through some of the practice problems in the review class before each exam. Your work on the practice problems will not be collected or graded, but it should help you to prepare for the exams.

ii. Homework Assignment:

There will be one homework assignment, which needs to use MS Excel. I will show you how to work on the assignment in class. Please refer to our class schedule for the specific date for the “Excel homework demonstration” class. Attendance in the homework demonstration class is required and will be factored into your course grade. You are welcome to bring your own laptop computer to the homework demonstration class. The assignment is expected to be completed before the first exam, because you are expected to bring your completed assignment to the first exam and some questions in the first exam will be based on this assignment. The assignment itself will not be graded; but your understanding of the assignment is tested on the first exam.

iii. Team Projects:

Each project team should have 2 members. Please find your teammates yourself by the deadlines. Each team member will be asked to turn in a team evaluation after their project presentation is done. I will adjust project grade to reflect peer estimations of the effort provided by each member. I will assign an overall grade to each team, and then use the peer estimation to make adjustment to each individual’s grade. Specifically, if a student gets 5, which is the highest grade, from his/her team members, this student will get the team overall grade. If a student gets less than 5 from his/her team members, this student’s grade will be less than the team overall grade. You are encouraged to discuss your project with me if you have questions.

iv. Exams:

There will be three exams for this class (and no final comprehensive or accumulative exam). There will be no makeup exams unless appropriate documents are provided to justify absence. Students must bring their own Scantron forms (No. 882-E) and #2 pencils.

You can have a **formula sheet (size: $8\frac{1}{2} \times 11$)** for all your exams. You can use only **one side** of the formula sheet. The formula sheet can only have mathematical formulas. Examples or conceptual materials (e.g., non-mathematical definition, explanation, classification, etc.) are **NOT allowed** on the formula sheet. The formula sheet can be hand-written, typed, or printed.

Attendance and Participation:

At The University of Texas at Arlington, taking attendance is not required. Rather, each faculty member is free to develop his or her own methods of evaluating students’ academic performance, which includes establishing course-specific policies on attendance. As the instructor of this section, I have established following attendance policy: **Attendance and participation is required and will be factored into your course grade.** Students are responsible for all the announcements made in class whether in attendance or not. Attending all the classes does not necessarily mean that you will get all the points for class participation, although attending classes is a necessary condition for earning your class participation points. During most of the classes, I will call on some students to answer questions; not being able to give any answer to my question (including not attending that class) will automatically result in a reduction of your class participation points.

Grading:

Your grade will be determined as follows:

	Course Points
Excel Homework	1
Self-introduction	1
Team Project #1	5
Team Project #2	8
3 Exams (each 25 points)	75
Class participation	10
Total	100

Your course grade will be based on the following point scale:

Grade	Course Points
A	90-100
B	80-89.99
C	70-79.99
D	60-69.99
F	below 60

Course Schedule:

As the instructor for this course, I reserve the right to adjust this schedule in any way that serves the educational needs of the students enrolled in this course.

Tentative Schedule (6/5/2017)
 (“M” means Monday, and “W” means Wednesday.)

Date	Activity	Reading (10 th e.)	Practice Problems (10 th ed.)
June 5 (M)	Class Introduction	Course Syllabus	
	Lecture 1: Introduction to Corporate Finance	Chapter 1	Supplemental material
June 7 (W)	Self-introduction,		
	Lecture 2: Time Value of Money Lecture 3: Investment Rules <i>*Bring your financial calculator!</i>	Chapter 4 Chapter 5	Chap. 4: Questions and Problems: 2-5, 11-13 Chap. 5: Questions and Problems: 5, 10, 13, 16 (a,b,c only)
June 12 (M)	Self-introduction,		
	Lecture 4: Capital Budgeting	Chapters 2& 6	Chap. 2: Concept Questions: 2, 4, 8. Chap. 6: Concept Questions: 2, 3. Questions and Problems: 8.
June 14 (W)	Finish up Lecture 4 Excel Homework Demonstration Review for Exam 1//Q&As with instructor		

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June 19 (M)	Exam 1 (In Class, 5:30pm-6:50pm): Covers Lectures 1-4 Please bring appropriate ScanTron sheet, formula sheet, calculator, pencils and erasers.		
	7:00pm-7:50pm: Recap Exam 1, Team Project Overview		
Date	Activity	Reading (10 th e.)	Practice Problems (10 th ed.)
June 21 (W)	Lecture 5: Raising Equity Capital Team Project #1 Discussion, Team meetings	Chapter 20	Chap.20: Questions and Problems: 5, 6.
June 26 (M)	Finish up Lecture 5, Team Project #1 Discussion, Team meetings		
June 28 (W)	Team Project #1 Presentations, Lecture 6: Mergers & Acquisitions	Chapter 29	Chap. 29: Questions and Problems: 1.
July 3 (M)	More on Lecture 6		
July 5 (W)	More on Lecture 6, Important help for team project #2		
July 10 (M)	Finish up Lecture 6, Review for Exam 2/Q&As with instructor		
July 12 (W)	Exam 2 (In Class, 5:30pm-6:50pm): Covers Lectures 5-6 Please bring appropriate ScanTron sheet, formula sheet, calculator, pencils and erasers.		
	7:00pm-7:50pm: Lecture 7: Valuation	Chapter 9	Supplemental material
July 17 (M)	Team Project #2 Presentations, Lecture 8: Risk and Return	Chapter 10	Supplemental material
July 19 (W)	Lecture 9: Cost of Capital	Chapter 13	Chap. 13: Concept Questions: 1, 2, 5, 6, 8. Questions and Problems: 1, 2, 5, 11, 12
July 24 (M)	Lecture 10: Payout Policy	Chapter 19	Chap. 19: Concept Questions: 4, 8, 9, 10. Questions and Problems: 2, 3, 4, 5, 6
July 26 (W)	Review for Exam 3/Q&As with instructor		
July 31 (M)	5:30pm-6:30pm: Q&As with instructor		
	Exam 3 (In Class, 6:30pm-7:50pm): Covers Lectures 7-10 Please bring appropriate ScanTron sheet, formula sheet, calculator, pencils and erasers.		

Course Syllabus

University Policies

Drop Policy: Students may drop or swap (adding and dropping a class concurrently) classes through self-service in MyMav from the beginning of the registration period through the late registration period. After the late registration period, students must see their academic advisor to drop a class or withdraw. Undeclared students must see an advisor in the University Advising Center. Drops can continue through a point two-thirds of the way through the term or session. It is the student's responsibility to officially withdraw if they do not plan to attend after registering. **Students will not be automatically dropped for non-attendance.** Repayment of certain types of financial aid administered through the University may be required as the result of dropping classes or withdrawing. For more information, contact the Office of Financial Aid and Scholarships (<http://wweb.uta.edu/aao/fao/>).

Disability Accommodations: UT Arlington is on record as being committed to both the spirit and letter of all federal equal opportunity legislation, including *The Americans with Disabilities Act (ADA)*, *The Americans with Disabilities Amendments Act (ADAAA)*, and *Section 504 of the Rehabilitation Act*. All instructors at UT Arlington are required by law to provide “reasonable accommodations” to students with disabilities, so as not to discriminate on the basis of disability. Students are responsible for providing the instructor with official notification in the form of a letter certified by the Office for Students with Disabilities (OSD). Students experiencing a range of conditions (Physical, Learning, Chronic Health, Mental Health, and Sensory) that may cause diminished academic performance or other barriers to learning may seek services and/or accommodations by contacting: The Office for Students with Disabilities, (OSD) www.uta.edu/disability or calling 817-272-3364. Counseling and Psychological Services, (CAPS) www.uta.edu/caps/ or calling 817-272-3671.

Only those students who have officially documented a need for an accommodation will have their request honored. Information regarding diagnostic criteria and policies for obtaining disability-based academic accommodations can be found at www.uta.edu/disability or by calling the Office for Students with Disabilities at (817) 272-3364.

Non-Discrimination Policy: *The University of Texas at Arlington does not discriminate on the basis of race, color, national origin, religion, age, gender, sexual orientation, disabilities, genetic information, and/or veteran status in its educational programs or activities it operates. For more information, visit uta.edu/eos.*

Title IX Policy: The University of Texas at Arlington (“University”) is committed to maintaining a learning and working environment that is free from discrimination based on sex in accordance with Title IX of the Higher Education Amendments of 1972 (Title IX), which prohibits discrimination on the basis of sex in educational programs or activities; Title VII of the Civil Rights Act of 1964 (Title VII), which prohibits sex discrimination in employment; and the Campus Sexual Violence Elimination Act (SaVE Act). Sexual misconduct is a form of sex discrimination and will not be tolerated. For information regarding Title IX, visit www.uta.edu/titleIX or contact Ms. Jean Hood, Vice President and Title IX Coordinator at (817) 272-7091 or jmhood@uta.edu.

Academic Integrity: Students enrolled in this course are expected to adhere to the UT Arlington Honor Code:

I pledge, on my honor, to uphold UT Arlington’s tradition of academic integrity, a tradition that values hard work and honest effort in the pursuit of academic excellence.

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I promise that I will submit only work that I personally create or contribute to group collaborations, and I will appropriately reference any work from other sources. I will follow the highest standards of integrity and uphold the spirit of the Honor Code.

UT Arlington faculty members may employ the Honor Code as they see fit in their courses, including (but not limited to) having students acknowledge the honor code as part of an examination or requiring students to incorporate the honor code into any work submitted. Per UT System *Regents' Rule* 50101, §2.2, suspected violations of university's standards for academic integrity (including the Honor Code) will be referred to the Office of Student Conduct. Violators will be disciplined in accordance with University policy, which may result in the student's suspension or expulsion from the University.

Electronic Communication: UT Arlington has adopted MavMail as its official means to communicate with students about important deadlines and events, as well as to transact university-related business regarding financial aid, tuition, grades, graduation, etc. All students are assigned a MavMail account and are responsible for checking the inbox regularly. There is no additional charge to students for using this account, which remains active even after graduation. Information about activating and using MavMail is available at <http://www.uta.edu/oit/cs/email/mavmail.php>.

Campus Carry: Effective August 1, 2016, the Campus Carry law (Senate Bill 11) allows those licensed individuals to carry a concealed handgun in buildings on public university campuses, except in locations the University establishes as prohibited. Under the new law, openly carrying handguns is not allowed on college campuses. For more information, visit <http://www.uta.edu/news/info/campus-carry/>

Student Feedback Survey: At the end of each term, students enrolled in face-to-face and online classes categorized as "lecture," "seminar," or "laboratory" are directed to complete an online Student Feedback Survey (SFS). Instructions on how to access the SFS for this course will be sent directly to each student through MavMail approximately 10 days before the end of the term. Each student's feedback via the SFS database is aggregated with that of other students enrolled in the course. Students' anonymity will be protected to the extent that the law allows. UT Arlington's effort to solicit, gather, tabulate, and publish student feedback is required by state law and aggregate results are posted online. Data from SFS is also used for faculty and program evaluations. For more information, visit <http://www.uta.edu/sfs>.

Emergency Exit Procedures: Should we experience an emergency event that requires us to vacate the building, students should exit the room and move toward the nearest exit. When exiting the building during an emergency, one should never take an elevator but should use the stairwells. Faculty members and instructional staff will assist students in selecting the safest route for evacuation and will make arrangements to assist handicapped individuals.

Student Support Services: UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include tutoring, major-based learning centers, developmental education, advising and mentoring, personal counseling, and federally funded programs. For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to resources@uta.edu, or view the information at www.uta.edu/resources.

Emergency Phone Numbers: In case of an on-campus emergency, call the UT Arlington Police Department at **817-272-3003** (non-campus phone), **2-3003** (campus phone). You may also dial 911.