

## Introduction to Finance

FINA3770-501

Summer 2018

### SYLLABUS

June 4<sup>th</sup> – July 6<sup>th</sup>

Meeting place and time: Tuesday & Thursday 6:00pm – 9:50pm  
Frisco Campus Room 132

#### CLASS DETAILS:

Professor: Dr. Thomas C. Williams  
Email: Thomas.Williams@unt.edu  
Phone: 940-565-2358  
Office: BLB 325B  
Office hours: By appointment and after class

**ALL COURSE RELATED MATERIALS WILL BE POSTED ON BLACKBOARD. YOU MUST LOG INTO  
[HTTPS://LEARN.UNT.EDU/](https://learn.unt.edu/) TO ACCESS FIN 3770 COURSE MATERIALS.**

#### COURSE DESCRIPTION & LEARNING OUTCOMES:

As the course title indicates this is a broad introduction to methodologies used in finance along with the different financial markets. The course is intended to provide students with an overview of the basic concepts and principles of corporate finance, investments, and financial markets, with particular emphasis on risk, rates of return, valuation and financial analysis, and the opportunity to practice problem-solving skills to solve common financial problems. We will develop an understanding of the time value of money and use this to value cash flows, and to assess the desirability of different investment projects. We will develop the skills to understand the basic investment criteria as well as the trade-off between risk and return. Since this course is required of all business major and minor students, and not just finance majors, a great deal of material will be covered.

#### PREREQUISITES:

Completion of pre-business requirements, including [ACCT 2010](#) and [ACCT 2020](#) or equivalent with grades of C or better.

#### REQUIRED MATERIALS:

Fundamentals of Corporate Finance (4<sup>th</sup> Edition), by Jonathan Berk, Peter DeMarzo, and Jarrad Harford, including MyFinanceLab access (for weekly assignments).

You will also need a financial calculator. I will use the Texas Instruments' BA II Plus during class. Financial calculators are permitted in exams. If you choose to use another type of calculator, make sure it is capable of calculating Internal Rate of Return (IRR) with uneven cash flows and amortizing a time-value of money calculation. I will not illustrate on other types of calculators during class time.

#### BLACKBOARD

The Blackboard website is your primary interface with the course. Access to the course instructions and class materials will be via Blackboard. I use it to post grades, upload useful supplemental material on a topic and to send out important announcements. You should be constantly checking Blackboard for any such updates.

#### GRADING:

Quizzes (2, 25% each)	50%
Final Exam	25%
Assignments	25%
Total	100%

### **All exams and other work will be graded on the following Grading Scale:**

100-90	A
89-80	B
79-70	C
69-60	D
59 and below	F

All students will be graded according to the above scale and thus should not expect a "**curve**" in the class. Everyone will be treated the same under this grading system, so you can save yourself some time and embarrassment by not asking for a grade change if you made an 89.4, for example.

*No student will be provided with opportunities to earn "extra credit" beyond the assignments described.*

### **IN-CLASS PRACTICE**

During most classes, we will attempt to solve practice problems on topics being discussed that day. To do well in the exams, it is important that you participate in these exercises. You do NOT turn them in to me for any credit. You do them IN CLASS so that you understand the material well. It is very important that you do all these problems in class or at home, on a regular basis. Remember: Keep testing yourself and work with study group of people who seem to understand this material better than you.

### **QUIZZES (50%) AND FINAL EXAM (25%)**

Two quizzes will be given during the semester. The quizzes will be designed to prepare you for the final exam. The quiz will take approximately 1.5 hours. ***The final exam is comprehensive.*** The quizzes and final exam will consist of multiple choice questions. The final exam will be focused on topics that are addressed in the quizzes.

Exams are closed book and closed note, however you may bring a handwritten 5-by-7 index card (both sides) as a reference sheet. It is intended that this reference sheet be a study enhancement; therefore, each student must prepare his/her own reference sheet for each exam and turn it in with the quiz/exam. Using copies of other's reference sheets are not allowed.

### **ASSIGNMENTS (25%)**

You will have weekly homework questions throughout the semester. Homework will be online through MyFinanceLab. It is very important that you work on them. The goal of homework questions is to help you understand the material and prepare for the quizzes. Note that questions similar to the question may appear on the quizzes and/or the exams – so it is important that you understand how to work the problems. You can work on the homework multiple times.

### **ATTENDANCE & PARTICIPATION**

Attendance will not be taken and will not figure directly into determining grades. However, class time will be spent discussing WSJ articles and current events. I assume that when you are not in class that you are deriving more utility from some other activity. Therefore, don't ask me "Is there anything that I need to go over?" but rather get brought up to speed by one of your classmates, study-group members, and/or the announcements and materials on Blackboard.

### **ELECTRONIC DEVICES:**

Phones, tablets and laptops are permitted for note taking and accessing information related to the course. Student use of these devices should only be for these purposes and not distracting to other students. I reserve the right to prohibit the use of all electronic devices if students cannot follow this policy.

### **ACADEMIC HONESTY**

Academic dishonesty is defined in the UNT Policy on Student Standards for Academic Integrity. Any suspected case of Academic Dishonesty will be handled in accordance with the University policy and procedures. Possible academic penalties include a grade of "F" in the course. You will find the policy and procedures at <http://vpaa.unt.edu/academic-integrity.htm>

If I suspect that you have engaged in academic dishonesty, I will deal with the situation as outlined in the University Policy shown above. You will be allowed to remain in the class during the entire time that the academic misconduct accusation is being investigated, adjudicated, and appealed. As noted above, the maximum academic penalty that can be assessed by an instructor is an F in the course. However, university officials use the academic misconduct information to decide if other misconduct sanctions are then to be applied, and the student has separate rights to appeal those decisions, remaining in the class until all appeals are exhausted.

#### **DISABILITY ACCOMMODATION:**

The University of North Texas makes reasonable academic accommodation for students with disabilities. Students seeking accommodation must first register with the Office of Disability accommodation (ODA) to verify their eligibility. If a disability is verified, the ODA will provide you with an accommodation letter to be delivered to faculty to begin a private discussion regarding your specific needs in a course. You may request accommodations at any time, however, ODA notices of accommodation should be provided as early as possible in the semester to avoid any delay in implementation. Note that students must obtain a new letter of accommodation for every semester and must meet with each faculty member prior to implementation in each class. For additional information see the Office of Disability Accommodation website at <http://www.unt.edu/oda>. You may also contact them by phone at 940.565.4323.

#### **STUDENT PERCEPTIONS OF TEACHING (SPOT)**

Student feedback is important and an essential part of participation in this course. The student evaluation of instruction is a requirement for all organized classes at UNT. The short SPOT survey will be made available to provide you with an opportunity to evaluate how this course is taught. You will receive an email from "UNT SPOT Course Evaluations via IASystem Notification" ([no-reply@iasystem.org](mailto:no-reply@iasystem.org)) with the survey link. Please look for the email in your UNT email inbox. Simply click on the link and complete your survey. Once you complete the survey you will receive a confirmation email that the survey has been submitted. For additional information, please visit the spot website at [www.spot.unt.edu](http://www.spot.unt.edu) or email [spot@unt.edu](mailto:spot@unt.edu).

#### **CLASSROOM CIVILITY:**

Students are expected to assist in maintaining a classroom environment conducive to learning. To assure that all students have the opportunity to gain from time spent in class, students are prohibited from using cellular phones, making offensive remarks, reading the newspaper, sleeping, or engaging in any other form of distraction, without the permission of the instructor. Inappropriate behavior in the classroom will result in the student being requested to leave the class, at a minimum.

#### **EAGLE CONNECT ACCOUNT**

All students should activate and regularly check their EagleConnect (e-mail) account. EagleConnect is used for official communication from the University to students. Many important announcements for the University and College are sent to students via EagleConnect. For information about EagleConnect, including how to activate an account and how to have EagleConnect forwarded to another e-mail address, visit <https://eagleconnect.unt.edu/>

Proposed Schedule		
Week		Subject/Reading Assignment
1	Tues, Jun 05	Ch 1: Corporate Finance & the Financial Manager Ch 2: Intro to Financial Statement Analysis
	Thurs, Jun 07	Ch 3: Time Value Money: An Intro Ch 4: Time Value Money: Valuing Cash Flow Streams <b>Assignment #1 (CH 3 &amp; 4): Due Tuesday, June 12<sup>th</sup></b>
2	Tues, Jun 12	Ch 8: Investment Decision Rules Ch 9: Fundamentals of Capital Budgeting
	Thurs, Jun 14	Ch 5: Interest Rates <b>Assignment #2 (CH 8 &amp; 9): Due Tuesday, June 19<sup>th</sup></b>
3	Tues, Jun 19	QUIZ #1: CH. 1 – 5, 8, 9 Ch 6: Bonds
	Thurs, Jun 21	Ch 7: Stock Valuation 10: Stock Valuation: A Second Look <b>Assignment #3 (CH 6 &amp; 7): Due Tuesday, June 26<sup>th</sup></b>
4	Tues, Jun 26	Ch 11: Risk and Return in Capital Markets Ch 12: Systematic Risk and the Equity Risk Premium
	Thurs, Jun 28	Ch 13: The Cost of Capital <b>Assignment 4 (CH 11, 12 &amp; 13): Due Tuesday, June 3<sup>rd</sup></b>
5	Tues, July 03	QUIZ #2: CH. 6, 7, 10 – 13
	Thurs, July 05	Ch 13: The Cost of Capital
<b>FINAL</b>	<b>Fri, July 6</b>	<b>Final Exam; Friday</b>

**\*NOTE: THIS IS A TENTATIVE COURSE OUTLINE. ALTERATIONS MAY BE MADE.**