

Course Syllabus
FINA 5170

Course Information

<i>Course Number / Section</i>	FINA 5170 (001-1039)
<i>Course Title</i>	Financial Management
<i>Term</i>	Spring 2023
<i>Days & Times</i>	UNT Internet course

Professor Contact Information

<i>Professor</i>	Tomas Mantecon Prieto
<i>Office</i>	312L
<i>Office Phone/e-mail</i>	940-891-6905. You can also contact me at tomas.mantecon@unt.edu
<i>Office Hours</i>	This is an <i>Asynchronous Online course</i> . We will meet 5 ^{1/2} hours per week, in groups, via ZOOM. I will divide the class into groups and we (my TA and I) will meet with every group for 30 minutes, once a week. In specific, we will meet on Mondays, Wednesdays and Fridays from 7 to 8:30 and Tuesdays from 7:30 to 8:30. We will not meet on Thursdays. I will also be on campus every day, if you need to see me.

Pre-requisites

Students must complete ACCT 5020, FINA 5040, ECON 5000, BCIS 5090, DSCI 5010 before enrolling in this course.

Students who are non-degree or degree seeking undecided may not register for certain courses without departmental approval.

Course Description and Course Objectives

The course objectives are to develop the knowledge and understanding of a broad set of corporate financial principals and fundamentals. This course will teach you the tools and techniques used and proposed in corporate financial management. The financial knowledge you will acquire in this course will be the foundation for other business courses you take, as well as the knowledge you acquire as a professional.

Upon successful completion of this course, you will have developed an understanding of the main concepts in finance, and you should be able to provide an answer to the following questions:

- ✚ What are be the main decisions taken by financial managers? What are agency problems?
- ✚ How to compute loan and mortgage payments with fixed and adjustable rate mortgages?
- ✚ How much money do you need to save to afford a certain life style after retirement?
- ✚ How do you price bonds using the current term structure of interest rates? What happens to the price of a bond if the interest rates change by 1%?
- ✚ How do you price stocks using multiples and discounted cash flows?
- ✚ What available projects should you accept or reject?
- ✚ Where would you invest a certain sum of money, using Markowitz's portfolio theory?
- ✚ Why should investors diversify?
- ✚ What are some of the most important models that relate expected return and risk?
- ✚ How do firms compute their cost of capital and why is it relevant?

Required text

- ✚ **McGraw Hill Connect Finance** is integrated into Canvas so you will have seamless access to the McGraw Hill materials through Canvas. Connect Access Code for the **electronic version** of the book “Principles of Corporate Finance, by Brealey, Myers, and Allen, 13th edition.” You will need the e-book to study and Connect because you will do the assignments and exams in Connect.
- ✚ You will need a **camera** on your computer/laptop to take the exams.

Recommended Readings

- The Wall Street Journal. Every student in our Master’s program gets electronic access to the WSJ. You can request your subscription at this website: <https://cob.unt.edu/masters/wall-street-journal-online-subscription>
- Other interesting source of information include The Financial Times, The Economist, and websites such as <https://www.bloomberg.com/>

Online Course Structure

- ✚ **Canvas:** The **Canvas** website is your primary interface in this the course. All portions of the course will be online. You can access the course material in Canvas at <https://unt.instructure.com/login/canvas>. After you log in using your EUID and password, click on FINA 5170 from the list of courses. If you run into technical problems while using Canvas, please call 940 565 2324 or email vista@unt.edu. All materials are grouped into modules in Canvas. I will post **announcements** at least once a week to inform you about what I expect for the upcoming week. I will open a **discussion forum** for posting questions and comments. I will participate in the discussion forums to provide guidance and to answer specific questions. The discussion forum will stay open until the end of the semester.

Performance Evaluation

Examinations (550 points)

There will be 2 exams during the semester created in McGraw Hill Connect.

Each exam will include the material covered in the prior exam. To offer some flexibility, you can take the exams either in the mornings, from 9:00 am to 1:00 pm, or in the evenings, from 6:00 p.m. to 10:00 p.m. The dates for the exams are:

- Exam 1: **Friday, April 14.**
- Comprehensive Final Exam: **Wednesday, May 10.** The preferred dates for the final exam are established by the Registrar’s office, to avoid having more than one exam on the same day. <https://registrar.unt.edu/exams/final-exam-schedule/spring>

Please make sure that you do not have other commitments on these days, as exams are allowed on only the scheduled exam dates and there are no makeup exams.

You will need a **camera** on your computer/laptop to take the exam. You will not be able to take the exam if you do not have a camera.

- I will open the exam for a 4-hour window. However, once you begin the exam, you have 3 hours within the four-hour period to complete it in one sitting. You can pause the exam, but the elapsed time clock will continue to tick.

If you experience technical problems with launching or completing the online exams, you should immediately call the student Canvas **help desk at 940-565-2324** to report the problem and get assistance, and obtain a ticket number. If the student help desk cannot resolve the problem in a timely manner, you should then immediately email me to document the situation.

- You can use Excel on your exams. A **financial calculator** such as The Texas Instruments BA-II Plus can also be very useful to solve some problems.

Problem sets (Total 200 points)

You will have 8 problem sets (PS) created in McGraw Hill Connect. Each PS will be worth 20 points. If you have more than 60% questions correct, you will earn 25 points for the problem set.

Please, try to submit the PS several hours before they are due. If you do not submit the PS before the due date, it will not be graded.

Following the markets (Total 150)

One of my objectives is that you get accustomed to follow the news, and you continue doing this during your professional careers.

There are about 40 trading days in the semester. You can earn 150 points if you upload 20 or more daily summaries on the progress of the financial markets. You should write a one-page report and upload it in the section *Assignments* in Canvas. You have examples in Canvas from a prior semester, in the Module “**Example Following the markets**”.

You can start uploading summaries on March 21st. You need to submit the first report before the end of the first week of classes (before Sunday, March 26). I will review the reports and let you know if you are doing them correctly. The last day to upload a report is May 5th. The summaries will be due by the end of the next day. For instance, the summary for March 20 will be due by 11:59 p.m. on March 21.

If you upload 20 or more summaries, you will earn 150 points, but you will not earn partial credit: you will not earn points if you upload less than 20 reports. Keep in mind that the maximum you can earn is 150 points. You will not earn more than 150 points if you do more than 20 summaries.

How to do the reports?

1. Select a company listed in the NYSE or in NASDAQ (any company you want to follow). Follow the daily stock price and press releases about your company. A good source (also free) of information is: <https://www.bloomberg.com>. But you can use any other source of information.
Copy the news in the daily report. If there is no news, just write: *There is no news about my firm today.*

2. You should also follow the equity (S&P 500), debt (fix income US 6 Months and US 30 years), commodities (WTI crude and gold) and currency (EUR-USD) markets every trading day of the semester.

In the report, you will include the price changes from the prior day in a table with 7 rows, one for each security: (S&P 500, US 6 Months and US 30 years treasuries, WTI crude, Gold (COMEX), EUR-USD exchange, and the change in price of your company).

You can find all this information at <https://www.bloomberg.com>, in the tabs commodities, stocks, rates and bonds, currencies.

3. Underneath the table, include a paragraph with an explanation of the news of the day. You should listen to one of the 1-minute podcasts that you can find at (copy and paste the link in your browser): <http://www.wsj.com/podcasts/browse/wsj-minute-briefing>

You can select the episode of your liking for that day.

4. You should also add a second paragraph with the news regarding your selected company.
5. You should also listen to WSJ What's News --- Top stories for <the day>.

<http://www.wsj.com/podcasts/browse/wsj-whats-news>

In the third paragraph of your report, you should summarize the content of one of these podcasts. Many days have two episodes. You can listen to the one you prefer.

Thus, the one-page report should consist of 1 table and 3 paragraphs. Again, you have examples in Canvas in the Module “**Example Following the markets**”

Study groups(Total 100 points)

One of my concerns with online courses is that students do not have the valuable opportunity to learn and to get to know their classmates. The goal of this part of the course is to foster student interaction. You can earn 100 points if you participate actively during the ZOOM meetings with us, and interact with your group members at least once a week to work on problem sets and to study for exams.

I divided the class into 15 groups of about 6 people. Please, sign up for a group in Canvas. Once a week in the evenings, each group will meet for 30 minutes with my TA or with me in the ZOOM meetings created in Canvas. The passcode is FINA5170S.

During these meetings you can ask questions about the problem sets, about the exams or about any topic related to finance.

Thus, you should meet as a group at least twice per week, one with us via ZOOM, and at least one more time (you can choose the venue or medium) with your group members.

At the end of every week (Saturday or Sunday), the team leader (the first person who signed in Canvas for a group) will e-mail my TA at Kiran.Modi@unt.edu. The team leader will notify us whether or not all the group members have participated in the meetings. I will consider your input to grade this component of the class.

Grades

Grades will be computed based on the following maximum number of points:

Exam 1	200
Comprehensive Final Exam	350
Problem Sets	200
Following the markets	150
Active participation in study groups	100
Total	1000 points

Students are responsible for taking the scheduled exams except with accepted excuses. Viable excuses include documented sickness, death in the immediate family, or participation in university sanctioned activities. Beyond these exemptions, no makeup exams will be given.

Grade Distribution

900 – 1000 = A
800 – 899 = B
700 – 799 = C
600 – 699 = D
Below 600 = F

Students should be aware that no extra credit, other than the ones mentioned in this syllabus, will be granted. Unfortunately, a few students inquire at the end of each semester: “What can I do to get an A, a B or a C... ?” Unfortunately, the answer is, “*nothing*”; each student has the same opportunity to earn a grade. I will not treat any student differently by allowing the student to obtain extra credit that other students did not have the opportunity to earn.

Tentative Schedule

This is a *tentative* schedule. The student is responsible to attend class and learn about unexpected modifications in the schedule. For instance, a class can be cancelled because I am sick or the University is closed due to weather conditions. Important deadlines to drop or to withdraw can be found at: <https://registrar.unt.edu/exams/final-exam-schedule/spring>

	Topic	Assignments
Week 1 (March 20 – 26)	Introduction to corporate finance Agency problems Time Value of Money	<ul style="list-style-type: none"> ✚ Read Chapter 1 and Chapter 2 ✚ Attend ZOOM group meetings with TA/professor. ✚ Meet with your group members. ✚ You can start working on <i>Following the markets</i> on March 21. You can find examples in the module “Examples Following the markets”. ✚ You need to submit the first report before the end of the first week of classes (before Sunday, March 26). I will review the reports and let you know if you are doing them correctly. ✚ In Canvas, you will find videos, MSWord and Excel documents explaining and solving problems. This information should be very useful to work on Problems Set 1 (PS1 Chapters 1 and 2), which is due on Sunday March 26 before 12 midnight. ✚ Important: Some questions in the problem sets are solved in the documents provided in Canvas in the corresponding Week’s module (in this case, in Module Week 1 CIB). Other questions in the problem sets are taken from the text-book, and you have the solutions to all these problems, with different numbers, in the module “Solutions”.
Week 2 (March 27 – April 2)	Working on some examples to demonstrate the relevance of time value of money	<ul style="list-style-type: none"> ✚ Continue reading Chapter 2, and go again over all the files in Module Week 1 CIB. ✚ Attend ZOOM group meetings with TA/professor. ✚ Meet with your group members. ✚ Work on Problems Set 2 (PS2), due on April 2, before 12 midnight. ✚ Continue working on <i>Following the markets</i>
Week 3 (April 3 – April 9)	Valuing bonds	<ul style="list-style-type: none"> ✚ Read Chapter 3 ✚ Read all the files, and watch the video in Module Week 3 CIB ✚ Attend ZOOM group meetings with TA/professor. ✚ Meet with your group members. ✚ Problem set 3 is due on Sunday, April 9. ✚ Continue working on <i>Following the markets</i>
Week 4 (April 10 – April 16)	Review of Chapters 1-3 Exam 1 (April 14)	<ul style="list-style-type: none"> ✚ Review Chapters 1 – 3 and prepare for Exam 1. ✚ Problem set 4 (PS4) is due before 12 midnight of Thursday, April 13. ✚ Attend ZOOM group meetings with TA/professor. ✚ Meet with your group members.

		<ul style="list-style-type: none"> ✚ You can take the exam either in the morning or in the evening on Friday April 14. ✚ Continue working on <i>Following the markets</i>.
Week 5 (April 17 – April 23)	Valuing common stocks	<ul style="list-style-type: none"> ✚ Read Chapter 4 ✚ Read all the files, and watch the video in Module Week 5 CIB. ✚ Attend ZOOM group meetings with TA/professor. ✚ Meet with your group members. ✚ Problem set 5 (PS5) is due before 12 midnight of Sunday, April 23. ✚ Continue working on <i>Following the markets</i>.
Week 6 (April 24 – April 30)	NPV and Other Investment Decision Rules	<ul style="list-style-type: none"> ✚ Read Chapter 5. ✚ Read all the files, and watch the video in Module Week 6 CIB. ✚ Attend ZOOM group meetings with TA/professor. ✚ Meet with your group members. ✚ Problem set 6 (PS6) is due before 12 midnight of Sunday April 30. ✚ Continue working on <i>Following the markets</i>.
Week 7 (May 1 – May 7)	Introduction to Risk and Return Portfolio Theory and the CAPM	<ul style="list-style-type: none"> ✚ Read Chapters 7 & 8 ✚ Read all the files, and watch the video in Module Week 7 CIB. ✚ Attend ZOOM group meetings with TA/professor. ✚ Meet with your group members. ✚ Problem set 7 (PS7) is due before 12 midnight of Sunday, May 7. ✚ Continue working on <i>Following the markets</i>.
Week 8 (May 8 – 13)	Review of Semester Final Exam (May 10)	<ul style="list-style-type: none"> ✚ Review the semester ✚ I will open a ZOOM meeting on Monday from 7 to 8:30 to answer any questions you may have. ✚ Problem set 8 (PS8) is due before 12 midnight of Tuesday, May 9. ✚ You can take the Final exam either in the morning or in the evening of May 10.

ACADEMIC INTEGRITY STANDARDS AND CONSEQUENCES

According to UNT Policy 06.003, Student Academic Integrity, academic dishonesty occurs when students engage in behaviors including, but not limited to cheating, fabrication, facilitating academic dishonesty, forgery, plagiarism, and sabotage. A finding of academic dishonesty may result in a range of academic penalties or sanctions ranging from admonition to expulsion from the University.

EMERGENCY EVACUATION PROCEDURES FOR BUSINESS LEADERSHIP BUILDING

- **Severe Weather** In the event of severe weather, all building occupants should immediately seek shelter in the designated shelter-in-place area. If unable to safely move to the designated shelter-in-place area, seek shelter in a windowless interior room or hallway on the lowest floor of the building. All building occupants should take shelter in rooms 055, 070, 090, and the restrooms on the basement level or in rooms 170, 155, and restrooms 122, 182 or 183 on the first floor.
- **Bomb Threat/Fire** In the event of a bomb threat or fire in the building, all building occupants should immediately evacuate the building using the nearest exit. Once outside, proceed to the designated assembly area. If unable to safely move to the designated assembly area, contact one or more members of your department or unit to let them know you are safe and inform them of your whereabouts. Persons with mobility impairments who are unable to safely exit the building should move to a designated area of refuge and await assistance from emergency responders. All building occupants should immediately evacuate the building and proceed to the south side of Crumley Hall in the grassy area, west of parking lot 24.

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 at the end of the semester 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) 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 or email spot@unt.edu.



DISABILITY ACCOMODATION

The University of North Texas is on record as being committed to both the spirit and letter of federal equal opportunity legislation; reference Public Law 92-112 – The Rehabilitation Act of 1973 as amended. With the passage of new federal legislation entitled Americans with Disabilities Act (ADA), pursuant to section 504 of the Rehabilitation Act, there is renewed focus on providing this population with the same opportunities enjoyed by all citizens.

As a faculty member, I am required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty of their need for accommodation and in providing authorized documentation through designated administrative channels. Information regarding specific diagnostic criteria and policies for obtaining academic accommodations can be found at <http://www.unt.edu/oda/apply/index.html>. Also, you may visit the Office of Disability Accommodation in the University Union (room 321) or call them at (940) 565-4323.

If you need an accommodation, please contact me as soon as possible but at the latest by the second week of class.