

Spring 2020
Introduction to Finance and Financial Management,

FINA 3770, BLB010
Tu, Th 12:30pm-1:50pm
Office Hours Tu: 10:30-12:30
(940)5654281

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Overview

The primary objective of this course for students is to understand the tools and concepts in financial decision-making, including the choice of investments and portfolio management. We will develop an understanding of the time value of money and use this to value uncertain cash flow, to perform asset valuations, 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.

Book and Requirements

The required text for this course is: **Fundamentals of Corporate Finance (4rd Edition)**, by [Jonathan Berk](#), [Peter DeMarzo](#), [Jarrad Harford](#).

You will also need a **calculator**. I strongly recommend a financial calculator. I will use 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, amortizing, time-value of money calculations. I will not use other types of calculators in class.

Bring your calculator to class.

This course will require considerable study outside of class. The course will be structured as a combination of lectures, discussion and accompanied by related reading assignments and problem sets. The best way to prepare for exams is to work the assigned problems. It is very important that you keep up with the assigned work so that you will not be overwhelmed at exam time. You are responsible for all material covered during class, including changes to the syllabus, course schedule, and course materials. If you miss a class it is your responsibility to obtain any handouts or notes from other students in class.

I will take attendance. You are expected to arrive on time and stay till end of the class. I will give bonus points up to 2 for attendance and class participation.

Electronic Devices

The use of cell-phones is strictly prohibited in the class, including texting. Please *turn off* cell-phones before the lectures start. Laptop computer is allowed during the class if it is used for class purpose.

Tutoring Service:

The Department of Finance maintains tutoring lab to assist you with your finance courses. The finance lab is located at **BLB 006**.

Grading

No make-up exam will be given. Plan your schedule accordingly. Your overall grade will be determined by,

Homework	10%
Quiz	15%
3 Midterms	40%
Final	35%
Total	100%

The final grading scale is:

A: $\geq 90\%$

B: 80% - 89%

C: 70% - 79%

D: 60% - 69%

F: $\leq 59\%$

Grade Appeals

All grade appeals must be done within three days of the posted grade. I will not look into grades appealed after three days past the date of grade postings for any exam.

Homework

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

Quiz

You will have weekly quiz throughout the semester. Quiz will be online through myfinancelab. You have 2 chances for each quiz, I will use the higher grade from the quiz.

Exams

Exams are closed book and closed note, however you may bring **one page** of cheat sheet. There will be three midterms and a final exam. Your lowest scored midterm exam will be dropped. Midterm Exams will cover the new material. Final exam is cumulative. Tests will consist of multiple choice questions. The final exam can NOT be dropped. No make-up exams.

E-mail

I will reply the emails in timely fashion. However, some questions may not be easily answered via email, and then I may ask you to stop by my office. Sometimes your questions are important enough that they are worth bringing to the attention to the whole class, I will address it in our class.

Disability

If you have an established disability, it is your responsibility to inform me about your accommodation.

Academic Honesty

Students are expected to maintain a high level of ethical conduct in this course. Any evidence of an act of academic dishonesty will result in a grade of "F". Please adhere to University policies and the UNT Code of Conduct and Discipline with respect to academic ethics and honesty.

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 in the building. 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 survey will be made available late in 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.

COURSE OUTLINE (Tentative, depend on class progress)

Week	Chapter	Topic/Assigned Reading	
Week 1	1	Corporate Finance and the Financial Manager	
Week 2	2	Introduction to Financial Statement Analysis	
Week 3	3	Time Value of Money: An Introduction	
Week 4	4	Time Value of Money: Valuing Cash Flow Streams	
Week 5	3 & 4	Time Value of Money – Timelines/Formulas and Excel, Review	Exam I(2/13)
	1 – 4	Midterm#1	
Week 6	5	Interest Rates	
Week 7	6	Bonds	
Week 8	5,6	Review, Midterm#2	Exam II(3/5)
Week 9	7	Stock	
Week 10	8	Investment Decision Rules	
Week 11	11	Risk and Return in Capital Market	
Week 12	12	Systematic Risk and the Equity Risk Premium	
Week 13	7, 8, 11,12	Review, Midterm#3	Exam III (4/16)
Week 14	13	The Cost of Capital	
Week 15	13	The Cost of Capital (cont.), final review	
Final Exam Week		FINAL EXAM, 5/4 from 4:00pm-6:00pm The Final Exam is a common exam for the Department.	