

Dixie State College – Udvar-Hazy School of Business
FIN3150 – Managerial Finance I

Instructor Kyle S. Wells, PhD
Phone: 652-7833
Email: kwells@dixie.edu
Office: Udvar-Hazy 346 Office hours: M-R, 9:00-10:00 A.M. & by app
Class Schedule: MWF, 10:00-10:50 A.M.

Pre-Requisites:

ACCT 2020 (Managerial Accounting)
ECON 2020 (Macro Economics)
STAT 2040 (Business Statistics)

Required Materials

A financial calculator (see below).

Recommended Materials

Scott Besley and Eugene F. Brigham, 2008, *Essentials of Managerial Finance*, 14th edition.
A copy is available in the business student lounge.

Overview

The course is designed to explain the substantive parts of financial management. It is not an "investment" course, *per se*, although many of the skills taught can be used for financial investment purposes. This course is designed to create a financial "toolbox" which will be used in subsequent courses and in a career in business. The primary tool taught in this course is Time Value of Money (TVM). The underlying theme is the valuation of financial assets and business projects using TVM techniques. The course is intended to stimulate an interest in the field of finance as an area of further study and as an area of practice for a life-long career.

An underlying goal is to develop critical thinking so as to evaluate dispassionately the merits and demerits of different policies, projects and of techniques of financial management. Financial management emphasizes present values of long-term decisions. The analytical tools of TVM are best developed by solving and discussing problems. I encourage group work and class discussion. Your grade is partially based on your ability to communicate and learn from others. Please show respect and allow all students an equal opportunity to ask questions and present comments.

I recommend that you regularly read the Wall Street Journal or similar publication to increase your understanding of business and finance. Several periodicals are available (and underutilized) in the library. I appreciate any questions you have related to this reading.

Course Objective

1. Understand the financial environment.
2. Know how to analyze financial statements (balance sheets and income statements).
3. Know how to make time-value-of-money calculations.
4. Know how to use a financial calculator.
5. Know how to determine and assess the value of financial assets (securities, projects and businesses)
6. Understand the concept of financial risk and its role in asset valuation and financial decision making.
7. Know how to conduct a capital budgeting analysis.
8. Be exposed to ethics issues in finance.

Attendance

You are not required to attend every class and I will not penalize you for absences. However, you are responsible for all material presented in class, regardless if you were present or not. This includes instructions on assignment format and turn-in procedures. If you miss class, I will be glad to tell you what material you may have missed but I will not re-teach it. Occasionally, extra credit is given in class for participation in post-test reviews and other discussions. Missing class on these days may affect your final grade.

Homework

This class is structured in sections. Homework problems are assigned to each section and are designed to help develop your analytical abilities and to increase your understanding of finance. You may work together with other students on these assignments, but all assignments must be submitted on an individual basis. Each assignment must be submitted online and when received and checked, the solution will be released. You may receive less than full credit for late assignments. Your homework will be graded on a completion basis only. You will receive full credit for attempting to complete all of the problems (and you turned the assignment in on time) regardless of whether your answers are correct. To receive credit for any problem, you must show all necessary equations and steps, as applicable. Solutions to homework problems will be posted after the due date. It is your responsibility to check your work.

Additionally, you will have two homework projects which will be due as indicated on the course schedule. Instructions for these projects will be posted on the course website. I will discuss these instructions in detail in class shortly after we cover the relevant material. I encourage you to work in groups of two or three. Individual work will be accepted but will be penalized 10 points or one full grade. Further details concerning these assignments will be announced in class.

Examinations

There will be three closed-book exams. You may use a calculator during these exams. Additional materials such as a student produced 5" x 8" note card may also be used. Full credit will be awarded for all correct answers and partial credit will be awarded as deemed appropriate by your instructor.

Course Grade Computation

Your course grade is based on a point system. The point allocation for exams and homework is:

	Points	Points	Grade
Participation	5/3	>93	A
Homework Problems	15	90 to 92.9	A-
Homework Projects	20	87 to 89.9	B+
Test 1	20	83 to 86.9	B
Test 2	20	80 to 82.9	B-
Test 3	20	77 to 79.9	C+
	20	73 to 76.9	C
	20	70 to 72.9	C-
Total Possible	<u>103/100</u>	<70	D

Financial Calculator

A financial calculator is essential in this class and in all advanced finance classes. Most multi-function calculators have financial programs available. I do not recommend any specific model or brand; however, a scientific calculator does not have the necessary functions for this course. My notes have specific key instructions for the Texas Instruments BAII Plus which cost approximately \$30 and is sufficiently powerful for all calculations taught in this course. I can provide general assistance but I do not know all functions on all calculators. You are responsible to learn the functions on your own calculator.

How to do well in this course

- Come to class. Participate in class discussions. Take notes. Get to know others in the class.
- Do all the assigned readings, homework assignments, and suggested study problems and questions.
- Stay current! It is important that you review class notes on a routine basis in order to identify things you don't understand or may need help with. I recommend that you review your class notes at least once a week. Don't wait until the weekend prior to a test.
- Come in during office hours or make an appointment to meet at our offices whenever you're having difficulty or have questions you would like to discuss outside of class.
- Form or join and participate in a study group.

Class Notes

I will make all of the slides I present during class available to you to use for note taking. Slides for each class will be available no later than 10:00 pm the prior evening. Hand written notes are also available by request. A tablet reader is required and can be downloaded at no cost.

Due Dates

Assignments, projects and test due dates will be given in class. I try to be flexible in my schedule to allow for class discussion; for this reason, all dates on this syllabus are approximate. At the end of every chapter, I will announce the due dates for the assignments. In most cases you will have one week to complete the material after it has been discussed in class. Test and project dates will be given in class as well. It is your responsibility to communicate with me or other students if you are not present when the dates are given. I am more flexible with late work and tests if it has been communicated prior to the due date. Unless prior approval is given, late homework may be given half credit. I reserve the right to not accept late work or give tests after the scheduled testing date.

Class Communication/Dmail

Important class and college information will be sent to your D mail email account. This information includes your DSC bill, financial aid/scholarship notices, notification of dropped classes, reminders of important dates and events, and other information critical to your success in this class and at DSC. All DSC students are automatically assigned a Dmail email account. If you don't know your user name and password, go to www.dixie.edu and select "Dmail," for complete instructions. You will be held responsible for information sent to your Dmail email, so please check it often.

Scholastic Behavior

All students are expected to uphold standards of academic honesty. Failure to uphold school policies relating to behavior (plagiarism, cheating, etc.) may result in failure of and/or expulsion from the class.

Americans with Disability Act.

Dixie State College and the Udvar-Hazy School of Business seek to provide equal access to its programs, services, and activities to people with disabilities. If you will need accommodations in this class, reasonable prior notice needs to be given to the instructor and to the Disability Resource Center (SSC, room 201, 652-7516) to make arrangements for accommodations. All written information in this course can be made available in an alternative format with prior notification to the Disability Resource Center.

Approximate Schedule

Week	Topics	Approx. Due Dates
1	Section 1: Introduction Section 2: Overview of Managerial Finance	Sec1
2	Section 3: Statement of Cash Flows	Sec2
3	Section 4: Financial Ratio Analysis	Sec3
4	Section 5: Introduction to Time Value of Money	Sec4
5	Section 6: Annuities	Sec5 & Project 1
6	Test Review & Test	Sec6
7	Section 7: Uneven Cash Flows Section 8: Multiple Compounding	
8	Section 9: Amortizing and Advanced Topics	Sec7 & Sec8
9	Section 10: Capital Budgeting Techniques	Sec9
10	Section 11: Decisions in Capital Budgeting	Sec10
11	Test Review & Test #2	Sec11
12	Section 12: The Cost of Money	
13	Section 13: Yields and Maturities	Sec12
14	Section 14: Risk and Return	Sec13
15	Section 15: Portfolio Risk and CAPM	Sec14
16	Finals Week	Sec15 & Project 2

The Mike LeMond Million Dollar Challenge

As an ancillary to this course, you may participate in an online investment game. The rules of the game will be discussed in class and are presented on the website. You are not required to play, you will not be penalized for not participating and grade points are not awarded to those choosing to participate. At the end of the semester, the individual who accumulates the highest returns will be have their name engraved on a plaque in the atrium. Additional awards may be presented to runners-up.

I have found that this game adds dimension to the course and exposes students to trading in financial markets; however, due to the element of luck, participation is not required. The following is the URL, game name and password required to enter the game. You will also be required to register with your own personal user email and password. I suggest using an email that you don't mind being used and sold to third parties.

<http://vse.marketwatch.com/Game/Homepage.aspx>

GAME NAME: FIN3150_sp10

PW: short