

Instructor Kyle S. Wells, PhD
Phone: 652-7833
Email: kwells@dixie.edu
Office: Udvar-Hazy 346
Office Hours: MTWR, 11:00-12:00 A.M.
Study Session: Tuesday, 3:00 to 5:00 P.M. Udvar-Hazy 229
Course Dates: 6/1 – 7/22

Pre-Requisites:

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

Required Materials

A financial calculator (see below).

Required Materials

Scott Besley and Eugene F. Brigham, 2008, *Essentials of Managerial Finance*, 14th edition.

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. The student will learn the theory of financial management and how to apply it in a business setting. 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 the 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 and projects and of techniques of financial management. This analytical ability can be developed by solving and discussing problems. We will work many problems in class.

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 capital budgeting analysis.
8. Be exposed to ethics issues in finance.

Attendance

You are not required to attend study sessions and I will not penalize you for absences. This is an online course, however, a study session is provided to help with homework assignments, test preparation, and general questions. I will be glad to tell you what material you may have missed in these sessions but I will not re-teach it. I have the capability to use a web camera if you cannot come to campus. Notify me by email before class and I will make the discussion sections available.

Homework:

You will have several homework problem assignments 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. Once submitted, the next section as well as the solution to the assignment will be released. You must complete the assignments prior to taking the exams. 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.

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 study sessions. I encourage you to work in groups of no more than three; however, you may work individually on these projects.

Examinations:

There will be three closed-book exams proctored in the testing center. **Please be aware of the scheduled exam dates as they are firm.** There is not a make-up option for the exams. You may use a calculator during these exams. Additional materials such 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	5/5		
Homework	15	>93	A
Problems		90 to 92.9	A-
Homework	20	87 to 89.9	B+
Projects		83 to 86.9	B
Test 1	20	80 to 82.9	B-
Test 2	20	77 to 79.9	C+
Test 3	20	73 to 76.9	C
Total Possible	<u>105/100</u>	70 to 72.9	C-
		<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 study sessions. 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:

MS Power Point® slides as well as video segments are available online and will be released as you complete the assignments.

Class Communication/Dmail

Important class and college information will be sent to your Rebel 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.

Course Schedule

Week	Topics	Approx. Due Dates
1	Section 1: Introduction Section 2: Overview of Managerial Finance Section 3: Statement of Cash Flows	Sec1 Sec2
2	Section 4: Financial Ratio Analysis Section 5: Introduction to Time Value of Money	Sec3 Sec4
3	Section 6: Annuities Test Review & Test #1 (6/16-6/18)	Sec5
4	Section 7: Uneven Cash Flows Section 8: Multiple Compounding	Sec6 & Project I
5	Section 9: Amortizing and Advanced Topics Section 10: Bonds	Sec 7 Sec 8
6	Section 11: Capital Budgeting Techniques Section 12: Decisions in Capital Budgeting Test Review & Test #2 (7/7-7/9)	Sec 9 Sec 10 Sec 11
7	Section 13: The Cost of Money Section 14: Yields and Maturities	Sec 12 Sec 13
8	Section 15: Risk and Return Section 16: Portfolio Risk and CAPM Test Review & Test #3 (7/21-7/23)	Sec 14 Sec 15 Sec 16 & Project II

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 have their name engraved on a plaque in the atrium.

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. Occasionally this may happen although privacy policies are included on the website.

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

GAME NAME: FIN3150_su10

PW: portfolio