FINANCIAL MANAGEMENT
FINN 3120
Section # 004
Time: WF 9.30 - 10.45
Location: Fretwell 107
Instructor: Katerina Ivanov
Office: Friday 388
Office Hours: WF 11.00-12.30 or by appt.

Course Description

Financial management represents the process of planning for, acquiring, and allocating funds by a business enterprise. This process involves several decision-making tools, including the time value of money, financial statement analysis and financial forecasting, working capital management, pricing various types of risk facing the firm, asset and project valuation, and determination of the firm’s optimal capital structure. This semester we will investigate how each of these decision-making tools is used to help financial managers accomplish the task of planning for, acquiring, and allocating funds within the business. Computer and financial calculator applications will be included where these are appropriate to the nature of the problems we are investigating.

Course Objective

The object of FINN 3120, Financial Management, is to provide students with an introduction to the nature and methods of financial analysis within the context of the business enterprise. To accomplish this objective, we will focus our attention on:

1. developing an awareness of some major financial problems facing modern, for-profit business organizations as well as individual consumers;
2. obtaining an understanding of the basic principles and concepts necessary to analyze these financial problems; and developing the ability to apply these principles and concepts so that students can independently evaluate alternative solutions to basic problems confronting the financial manager.

Course Texts

Required:
Optional:


✓ MyFinanceLab, an integrated online homework management system that provides hands-on practice and guided tutorial instruction for each of the chapters in your text. Specific instructions for purchasing this optional product are located in Appendix A at the conclusion of this syllabus.

Financial Calculator

Students are required to use financial calculator. In class I will demonstrate how to solve financial problems using financial calculator TI BA II Plus. I would recommend students use the same one for this course.

Accessing Course Resources on the UNCC Moodle Web Site

In this class we use Moodle2. It is available through your 49erExpress account or login directly on: http://moodle2.uncc.edu. PDF slides used for lectures, homework assignments, practice problem sets (if any), solutions to the practice problem sets as well as the other course material will be posted directly on Moodle2. Any announcements for the course will be also posted on Moodle, and students are responsible for checking on at least a weekly basis. Students are also responsible for checking their UNC Charlotte student email for other important communication.

Academic Prerequisites

To enroll in this course students must have (1) a declared major in the College of Business with (2) at least Junior standing (e.g., 60 or more earned semester hours), and (3) have completed the following prerequisite courses:

✓ MATH 1120 College Calculus,
✓ STAT 1220 Statistics I,
✓ ECON 2101 Macroeconomics,
✓ ECON 2102 Microeconomics,
✓ ACCT 2121 Financial Accounting,
✓ ACCT 2122 Managerial Accounting,
✓ INFO 2130 Introduction to Business Computing (or successful completion of the Microcomputer Proficiency Test)
Grading

✓ Midterm Exam 1 – 30%
✓ Midterm Exam 2 – 30%
✓ 6 Homework Assignments – 10%
✓ Final Exam (Cumulative) – 30%

Extra Credit:
Students can earn at maximum extra 5 points toward the final grade for the course by the following two means:

1. During the semester, I will surprisingly offer students to solve computational problems in class. These problems will be VERY SIMILAR to the examples and the exercises from the lecture notes. Students are allowed to use textbooks/pdf slides and any other materials they want. For each CORRECT SOLUTION of the problem, students will earn 0.3 points towards the FINAL GRADE for the course. Students will be offered to solve “in –class” problems approximately 10 times during the semester. Thus the students can earn approximately at maximum 3 points toward the FINAL GRADE for correct solution of “in-class” problem solving. Please note: students need to show their work and not just the final answer!!! From instructor’s perspective, I find this to be a useful tool for (1) checking the attendance (2) continuously checking students’ knowledge. From students’ perspective it is a perfect opportunity to earn extra credit towards the final grade for the course.

2. Students can earn at maximum 2 points towards the final grade for the course by analyzing 2 business articles provided by the instructor (at maximum 1 point for each article). Students will be asked to read the article, answer the questions and state their own opinion. Please see me for more details. The submitted work should be about 1-2 pages long per one article, 12 size. The submission deadline is April 29, HARD COPY. This exercise is aimed to stimulate students’ thinking and relate concepts discussed in class towards the real life situations.

Final course grade schedule

<table>
<thead>
<tr>
<th>Percentage of Total Points</th>
<th>Grade</th>
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<tbody>
<tr>
<td>90-100</td>
<td>A</td>
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<tr>
<td>80-89</td>
<td>B</td>
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<tr>
<td>70-79</td>
<td>C</td>
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<tr>
<td>60-69</td>
<td>D</td>
</tr>
<tr>
<td>Below 60</td>
<td>F</td>
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Examinations

1. In total, you will be given **3 exams**, each counting for 30 percent of your final grade: two midterm exams and one final exam. The exams **will be closed book and closed notes. I will provide with the formulas you will need for your calculations during the exam**. The final exam is comprehensive (covers whole semester) but it will focus on the final third of the course material.

2. Exams will cover the assigned reading materials and lecture notes as shown below as well as the specific current events topics that are discussed in class. Exam questions will be presented to students in a multiple-choice format and include conceptual (e.g., non-mathematic) issues as well as problem-solving opportunities that require numeric manipulation. **Because many questions will require some arithmetic computation, you should always bring a financial calculator on exam days (in particular, on midterm 2 and final exams).** Given the limited time period allowed for each course examination (e.g., the length of the class period for midterm exams and two and a half hours for the final exam), students will not be permitted to use calculator manuals during the exams. Thus students are expected to know how to use financial calculator in order to solve basic financial problems on their calculators.

3. All Exams will make use of Obscan answer sheets which will be provided in class during exam days. Students are responsible for bringing Number Two pencils and a good eraser to record answers on the Obscan sheets.

4. **Missed Exams:** The midterm exams will be administered in class on Feb 12 and Mar 30. **The final exam is on May 11.** Please do not miss any of the exams. If you miss an exam, then you will need to provide me with appropriate documentation for your absence that explains your emergency (emergencies include accidents, severe sickness, or life-or-death situations, not laziness or lack of preparation!), and we will make alternate arrangements. To schedule a make-up exam, please see me for consultation. Students who fail to make-up a missed examination, or fail to attend the scheduled final exam, will receive a score of zero for all missed work.

Homeworks

1. There will be 6 graded homeworks during the semester which will count for 10 percent of your final grade (each homework is 1.67% of the final grade). The deadlines for each homework are to be announced in class as well as emailed to the students. Please check your UNCC email and moodle page for this course on a regular basis.

2. All homeworks will be in the multiple-choice format posted on moodle page for this course. Students will have 2 attempts on each homework. Students will be allowed to see which answers are correct and which ones are wrong after the first attempt. The final grade for the homework will be the highest grade of two attempts. **The level of difficulty as well as the content of the homework assignments will be similar to the level of difficulty as well as the content of the exams. The best way to prepare for the exams is to study the homework assignments!!!**
Thus do not hesitate to ask questions about the homeworks. Stop by my office or make an appointment. Questions via email are also welcome. I will respond at my earlier convenience.

3. The correct answers to the homeworks will be available to the students immediately after the submission deadline. Hence, no late homeworks will be accepted as well as no make-up homeworks will be allowed. Please plan accordingly.

Important University and/or College Policies

1. ACADEMIC INTEGRITY. "All UNCC students have the responsibility to be familiar with and to observe the requirements of The UNCC Code of Student Academic Integrity (see the Catalog). This code forbids cheating, fabrication or falsification of information, multiple submission of academic work, plagiarism, abuse of academic materials (such as Library books on reserve), and complicity in academic dishonesty (helping others to violate the code). Any further specific requirements or permission regarding academic integrity in this course will be stated by the instructor, and are also binding on the students in this course. Students who violate the code can be punished to the extent of being permanently expelled from UNCC and having this fact recorded on their official transcripts. The normal penalty is zero credit on the work involving dishonesty and further substantial reduction of the course grade. In almost all cases, the course grade is reduced to "F". If you do not have a copy of the code, you can obtain one from the Dean of Students Office. Standards of academic integrity will be enforced in this course. Students are expected to report cases of academic dishonesty they become aware of to the course instructor who is responsible for dealing with them."

2. ATTENDANCE. Students are expected to attend punctually all scheduled sessions in the courses for which they are registered and are responsible for completing the work from all of the class meetings. Absences from class may be excused by the instructor for such reasons as personal illness, religious holidays, participating as an authorized University representative in an out-of-town event, or unavoidable professional responsibilities that require missing a class. Whenever possible, students are expected to seek the permission of the instructor prior to absences.

3. DISENROLLMENT. At the discretion of the department offering a course, a student may be disenrolled from a course section if he or she does not attend the first scheduled meeting of the section. The department chair has the responsibility for providing timely notification to the student who is disenrolled.

4. COURSE WITHDRAWAL. Under the UNCC Course Withdrawal Policy, students may withdraw from a course until the withdrawal deadline and the mark of "W" will be assigned. No withdrawals will be permitted after the course withdrawal deadline. It is the student's responsibility to determine by the withdrawal deadline whether to withdraw from the course or stay in for a grade. Students are expected to complete all courses for which they are registered at the close of the add/drop period. If you are concerned about your ability to succeed in this course, it is important to make an appointment to speak with me as soon as possible. Because University policy on withdrawal allows students only a limited number of opportunities available to withdraw from courses, it is important for you to understand the financial and academic
consequences that may result from course withdrawal. **Last day to withdraw from course is March 21th.**

5. **ELECTRONIC DEVICES IN CLASS.** The use of cell phones, smart phones, or other mobile communication devices during class time is disruptive, and is therefore prohibited during class. Except in emergencies, those using such devices must leave the classroom for the remainder of the class period. Students are permitted to use computers during class for note-taking and other class-related work. Those using computers during class for activities not related to class must leave the classroom for the remainder of the class period.

6. **DIVERSITY.** The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to, ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.
Weekly Course Topic schedule, Tentative and Subject to Minor Changes

<table>
<thead>
<tr>
<th>Topic</th>
<th>Title</th>
<th>Reading in Keown, Martin and Petty</th>
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<tbody>
<tr>
<td>Topic 1</td>
<td>Foundations of Financial Mgmt</td>
<td>Chapter 1</td>
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<td>Topic 2</td>
<td>Financial Markets and Interest Rates</td>
<td>Chapter 2</td>
</tr>
<tr>
<td>Topic 3</td>
<td>Financial Statements and Cash Flows</td>
<td>Chapter 3</td>
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<tr>
<td>Topic 4</td>
<td>Evaluating a Firm's Financial Performance</td>
<td>Chapter 4</td>
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<td>Homework 1 (Ch. 1&amp;2)</td>
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<td>Topic 5</td>
<td>The Time Value of Money</td>
<td>Chapter 5</td>
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<tr>
<td>Topic 6</td>
<td>The Meaning and Measurement of Risk</td>
<td>Chapter 6</td>
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<td>Homework 2 (Ch. 3&amp;4)</td>
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<tr>
<td>Topic 7</td>
<td>The Valuation and Characteristics of Bonds</td>
<td>Chapter 7</td>
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<tr>
<td>Topic 8</td>
<td>The Valuation and Characteristics of Stocks</td>
<td>Chapter 8</td>
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<td>Homework 3 (Ch. 5&amp;6)</td>
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<tr>
<td>Topic 9</td>
<td>The Cost of Capital</td>
<td>Chapter 9</td>
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<tr>
<td>Topic 10</td>
<td>Capital-Budgeting Techniques and Practice</td>
<td>Chapter 10</td>
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<tr>
<td>Homework 4 (Ch. 7&amp;8)</td>
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<tr>
<td>Topic 11</td>
<td>Short-Term Financial Planning</td>
<td>Chapter 14</td>
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<tr>
<td>Topic 12</td>
<td>International Business Finance</td>
<td>Chapter 16</td>
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<td>Homework 5 (Ch. 9&amp;10)</td>
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<tr>
<td>Final Exam (Cumulative)</td>
<td></td>
<td>WEDNESDAY, MAY 11 8.00 am - 10.30 am</td>
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Important Dates

- Last Day to Add/Drop Classes with no grade: 21-Jan
- Exam 1 Review and Overflow: 10-Feb
- Exam 1: 12-Feb
- Spring Recess - NO CLASS: 9-Mar
- Spring Recess - NO CLASS: 11-Mar
- Last day to withdraw from course (s): 21-Mar
- Exam 2 Review and Overflow: 23-Mar
- Spring Weekend - NO CLASS: 25-Mar
- Exam 2: 30-Mar
- Final Exam Review and Overflow: 29-Apr
- Final Exam: 11-May