



Spring 2020
FINANCE 6A35 – Managerial Finance

Section 17070 - Thursday, 6:00 p.m.

Course Syllabus

Instructor: Professor Natalia Piqueira
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Office Hours: Wednesday, 4:30 p.m. – 5:30 p.m.
Other times by appointment
Course Website: UH Blackboard
<http://www.uh.edu/blackboard/>

Time: Thursday 6:00 p.m. – 9:00 p.m.
Location: UCBB 110

Course Description

This course is the introductory Finance course, focusing on the fundamental concepts and principles related to financial decisions. We develop analytical techniques to quantify and measure “value” in the context of financial management. Topics include time value of money, stock and bond valuation, risk and return, cost of capital and capital budgeting.

We discuss and apply these concepts and techniques by working on practical examples and in-class problems, as well as homework assignments. The course is essential for business professionals in all areas, by providing the fundamentals and basic tools in financial decision-making. Additionally, the course creates foundations for other important electives, like the “Valuation” course and the “Capital Markets” course.

Textbook and Course Material

- **Required Course Textbook** (available at the bookstore or through the website <http://www.pearsonmylabandmastering.com/>)

Corporate Finance: The Core (with MyFinanceLab access card)

Authors: Jonathan Berk, Peter DeMarzo

Publisher: Pearson; 5th edition

Students can purchase the “MyFinanceLab access card with e-text” or the “Student Value edition with MyFinanceLab access card”

Please check the last page of the syllabus for registration details.

- **Additional readings** -- mostly short articles from the *Wall Street Journal* and other specialized business publications -- will be assigned and posted on Blackboard as the course progresses.
- **Calculator:** a basic scientific calculator is needed for the exam, and it should be useful for homework assignments and in-class applications. Students may use a financial calculator if they already have one, but it is not required for the course. Each student must have his / her own calculator for exams. Each student is fully responsible for mastering his / her calculator’s functions and correct use.
- **Excel:** Excel spreadsheets will be used for homework assignment and classroom applications. Students should have access to computers with Excel capabilities, and basic knowledge of Excel functions.

Grading

• Homework assignments:	20 points
• In-Class Quizzes:	20 points
• Final Exam:	50 points
• <u>Class Participation:</u>	<u>10 points</u>
TOTAL:	100 points

On-Line Homework Assignments with MyFinanceLab

- There will be **five graded on-line homework assignments** (each worth five points) and the grade will be based on the **four highest scores**, with a maximum of 20 points.
- All homework assignments will be posted and submitted through *MyFinanceLab*, under folder “Assignments”. Due dates are posted on the class schedule. Late submissions will not be accepted.
- Students will have access to assignment solutions after its due date. Students will be allowed three attempts to complete each assignment. There is no time limit to submit each attempt – answers can be “saved for later”. However, questions must be answered in the order that are presented, and at each attempt, answers can’t be changed after the question is completed.
- Homework assignments are essential for a clear understanding of the concepts and analytical techniques developed in class. Students are allowed to work on homework assignments in small groups, if they want to. However, each student should individually submit his / her solutions.

In-Class Quizzes

- There will be two in-class quizzes, each worth 10 points. Each quiz will consist of one or two questions based on the material covered in the previous classes. Each quiz will be distributed at 7:00 p.m. on the date posted on the class schedule, and students will have 30 minutes to complete it.
- Absences during any quiz will result in an increase in the weight of the final exam grade on the overall grade by 10 points for each quiz missed. For example, if a student misses the first quiz, the weight of his / her final exam will increase from 50 points to 60 points.

Final Exam

- The exam will be based on the material covered in class, required readings and assignments.
- No books, computers, or class notes are allowed during the exam, except for one sheet of 8.5x11 notes (one side) that each student should carefully prepare in advance and bring to the exam.

Class Participation

- Students are strongly encouraged to participate in class. Class participation will be evaluated by the instructor based on each student's contribution to in-class problems and discussions, as well as his / her contribution to Blackboard discussion forums.

Preparing for Class

- The assigned readings for the lectures and a summary of the topics to be covered in class are posted on the class schedule. Students are strongly recommended to cover the readings before class.
- Lecture notes will be posted on Blackboard at the beginning of each week, and students are encouraged to print a copy to bring to class.
- Completion of all homework assignments and additional assigned exercises is expected for a good performance in the course. Students are strongly encouraged to work on examples covered in class and textbook / study plan exercises.

Re-grading and Make-up Exam

- There is no re-grading of homework assignments, only in exceptional circumstances.
- Requests for re-grading of exams will be accepted but must be made within two days after grades are posted. The request must include a typed detailed note for each question with a grading discrepancy. However, the students must be aware that the entire exam will be re-graded, not only the specified question(s).
- If a student is unable to attend an exam, the instructor must be notified as soon as possible. In exceptional circumstances, the instructor might allow for a make-up exam to be discussed in a case-by-case basis and with sufficient evidence of the circumstances. The decision will be made at the discretion of the instructor.

Class Policies

- Attendance and class participation are essential for this course. We will have in-class exercises and regular discussions at the beginning of each class covering current news related to the course. All students are strongly encouraged to participate. Students should avoid disrupting class by arriving late or leaving early.
- Students are very welcome to stop by during office hours, to clarify the material, ask for further references, or simply discuss course topics of interest.
- Students are responsible for checking Blackboard regularly for updated materials and announcements.
- Cell phones must be silent, and used only for emergencies. No texting is allowed during class. Headphones are not allowed during lecture time.
- Taking photos or making audio or video recordings of lectures without permission of the instructor is not allowed.

Accessibility Statement

- The C.T. Bauer College of Business would like to help students who have disabilities achieve their highest potential. To receive academic accommodations, students must register with the Center for Students with Disabilities (CSD) (telephone 713-743-5400).

Academic Honesty

- As students enrolled in courses offered by the C.T. Bauer College of Business, you are expected to adhere to the ethical principles described in the Bauer Code of Ethics and Professional Conduct (Bauer Code), in addition to those required by the UH Student Handbook. You may review the Bauer Code by clicking on the following link:

<http://www.bauer.uh.edu/business-ethics/bauer-code-of-ethics.php>

You should obtain and review a copy of the UH Student Handbook, available at:

<http://publications.uh.edu/index.php?catoid=32>

Course Outline

The tentative outline of course topics is presented below. It may be updated as class progresses. Note that the textbook readings, Berk and DeMarzo (“BDM”), refer to the fourth edition of the book.

Week	Date	Topic	Readings	Assignments
1	01/16/20	Introduction to the course Time value of money	BDM, Chapter 3.1-3.3 BDM, Chapter 4	
2	01/23/20	Time value of money (continued)	BDM, Chapter 4	
3	01/30/20	Interest rates	BDM, Chapter 5.1-5.3	Quiz 1 Assignment 1 is due 1/30
4	02/06/20	Basics of bond valuation	BDM, Chapter 6.1-6.2; 6.4	Assignment 2 is due 2/6
5	02/13/20	Investment decision rules	BDM, Chapter 7	Quiz 2 Assignment 3 is due 2/13
6	02/20/20	Stock valuation	BDM, Chapter 9.1-9.2	Assignment 4 is due 2/20
7	02/27/20	Pricing risk, CAPM	BDM, Chapter 10 BDM, Chapter 12.1-12.3	Assignment 5 is due 2/27
8	03/05/20	FINAL EXAM		

Last Update: 1/7/2020

Student Registration Instructions

To register for FINA 6A35 - Spring 2020:

1. Go to www.pearson.com/mylab.
2. Under Register, select **Student**.
3. Confirm you have the information needed, then select **OK! Register now**.
4. Enter your instructor's course ID: [piqueira28114](#), and **Continue**.
5. Enter your existing Pearson account **username** and **password** to **Sign In**.
You have an account if you have ever used a MyLab or Mastering product.
 - » If you don't have an account, select **Create** and complete the required fields.
6. Select an access option.

- » Enter the access code that came with your textbook or that you purchased separately from the bookstore.
- » If available for your course,
 - Buy access using a credit card or PayPal.
 - Get temporary access.

If you're taking another semester of a course, you skip this step.

7. From the You're Done! page, select **Go To My Courses**.
8. On the My Courses page, select the course name **FINA 6A35 - Spring 2020** to start your work.

To sign in later:

1. Go to www.pearson.com/mylab.
2. Select **Sign In**.
3. Enter your Pearson account **username** and **password**, and **Sign In**.
4. Select the course name **FINA 6A35 - Spring 2020** to start your work.

To upgrade temporary access to full access:

1. Go to www.pearson.com/mylab.
2. Select **Sign In**.
3. Enter your Pearson account **username** and **password**, and **Sign In**.
4. Select **Upgrade access** for **FINA 6A35 - Spring 2020**.
5. Enter an access code or buy access with a credit card or PayPal.