



6N:225 MANAGERIAL FINANCE
Instructor: David A. Carter, Ph.D.
Winter 2015

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Textbooks & Supplies:

Hillier, David, Stephen A. Ross, Randolph W. Westerfield, Jeffrey Jaffe, and Bradford Jordan 2013, *Corporate Finance, 2nd European edition*, McGraw-Hill.

You will also need a financial calculator - I use a Texas Instruments BAII Plus (a BAII plus can be purchased for around \$30).

Finally, the *Wall Street Journal* and the *Financial Times* are great sources for business and financial news. I encourage you to read them or other business news outlets (e.g., Forbes, Business Week, Fortune, CNN Money [<http://money.cnn.com>], Yahoo! Finance [<http://finance.yahoo.com>], etc.).

Prerequisites: Graduate standing.

Purpose: The objective of this course is to provide you with a broad exposure to the theory and practice of corporate financial decision-making. We will study a number of important concepts, including: time-value-of-money, financial statements, and capital budgeting. Additionally, we will focus on the use of a spreadsheet (e.g., Microsoft Excel) to develop models that can be used in the financial decision-making process. Therefore, in addition to learning and applying finance concepts, you will also improve and refine your computer skills.

Grading: The grading for this course will be weighted as follows:

Assignments & Participation	25%
<u>Comprehensive Final Exam</u>	<u>75%</u>
Total	100%

I will use the following grade scale to assign a final letter grade for the course (note: I reserve the right to make adjustments to the grade scale as necessary, nevertheless, it will not be more difficult to receive a given letter grade than shown below): A = 90%+; B = 80 to <90%; C = 70 to <80%; D = 60 to <70%; F = <60%.

Exams. There will be a **comprehensive** final exam given at the end of the term. The exam will include problems of a numerical nature to be worked out and essays.

Assignments, Participation, & Conduct. Participation in class, as well as during group work is an important part of the learning process. I expect each student to be in class and able to participate. Further, I expect each student to be an active participant within their groups while completing assigned projects/cases. From time to time, I will make

assignments designed to reinforce concepts covered in the lecture. I expect the assignments to be completed in a timely manner.

Please do not engage in behavior that is distracting to others in the class. Disrupting the class (e.g., texting, cell phone usage, computer games, socializing) is hazardous to your grade's health. Make sure you are on time to class.

Learn the terminology – you may ask me if you don't understand a term. There are also online finance dictionaries that are good: Yahoo (<http://biz.yahoo.com/f/g/>) and Investopedia (<http://www.investopedia.com/dictionary>).

I will post the answer key for the end-of-chapter problems in the textbook so you will be able to work practice problems to get ready for the exam. I strongly encourage you to work practice problems.

Disability:

If you have a disability that may require some modification of seating, testing, or any other class requirement, please let me know as soon as possible so that appropriate arrangements can be made. Similarly if you have any emergency medical information about which I should know, or if you need special arrangements in the event the building must be evacuated, please let me know. Please see me after class hours or during my scheduled office hours or schedule an appointment. I would also remind you that the Office of Student Disability Services is available to assist you.

**Academic
Conduct:**

A number of assignments, tests, quizzes, etc, will have a specific due date and time. Unexcused late work is unacceptable. You are expected to abide by the College Honor Code. If I determine that cheating took place the student(s) involved will receive a grade of "F" for the class. In addition, your name on a course document is an acknowledgement that you contributed to, and are responsible for, its content. All incidents of cheating will be reported to the appropriate Deans as per the College Honor Code. The Honor Code may be found at <http://www.biz.uiowa.edu/honorcode.html>.

CLASS SCHEDULE AND ACTIVITIES

This schedule serves as a **guide** only. It may be necessary to make adjustments from time-to-time. I will announce any changes in class.

Date	Topic	Chapter
7 February	Course Introduction	
	Introduction to Corporate Finance	1
	Corporate Governance	2
	Financial Statement Analysis	3
8 February	Discounted Cash Flow Valuation	4
	Bond, Equity, & Firm Valuation	5
14 February	NPV & Other Investment Rules	6
	Making Capital Investment Decisions	7
15 February	Risk Analysis, Real Options, & Capital Budgeting	8
TBA	FINAL EXAM	