



## Introductory Financial Management

FIN 3000

Semester- Spring 2018

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Professor Name: John Stocker

### TENTATIVE SYLLABUS

Professor Email: stocker@udel.edu

#### **Course Description**

This course is designed to introduce students to the "science" of finance. Although the focus is on the corporate financial manager, it is important to note that the course will introduce the basic theory underlying several major areas of finance. The course is designed for the business student who has had little or no background in the study of finance with an emphasis will be on "breadth" of coverage. After successfully completing this course you will be prepared to take upper division courses in finance, understand the application of finance principles and techniques to common business problems, and have an appreciation for how financial tools and techniques can help you make better personal financial decisions.

Prerequisites for this course are Managerial Accounting (Acct 2200), Micro Economics (Econ 1100), and Macro Economics (Econ 1200)

#### **Course Objectives**

This course provides an introduction to the fundamental concepts of finance with an emphasis on the decision-making techniques relevant to financial and non-financial managers. Topics include time value of money, valuation, risk and return, capital budgeting, cost of capital and financial analysis and planning. This course will also introduce the basic theory underlying the major areas of finance.

#### **Course Materials & Resources**

**Required Text:** Corporate Finance (Essentials) edition: 8<sup>th</sup> Brealey, Myers, Allen. The text will be provided by CIMBA.

**Required Equipment:** Each student needs to have access to a scientific or financial calculator for use in class and on exams and is responsible for mastering the fundamental operations of the specific model. It will also be important to have access to a computer. A laptop that will run Microsoft Office (PowerPoint and Excel specifically) is strongly recommended.

#### **Grades**

Grades will be based on the following:

Exams	75%
Problem Sets	<u>25%</u>
Total	100%

## Exams

There will be three exams during the semester. You may prepare (handwritten) and use one sheet of notes on the exams. In the event you are unable to take an exam you must have a valid reason and inform the instructor **before the exam**. Makeup exams will be given at the discretion of the instructor.

## Problems sets

There will be three problem sets assigned this semester. The purpose of these problem sets is to ensure that you can apply the material that we've learned in the class. You are welcome to work together on the problem sets – in fact, its encouraged. However, the final write-up should be done individually. We will discuss your work in class on the day they are due & I will expect you to be able to fully defend your work.

## Grading Policy

Recommended grade distribution- per Tippie School of Management:

Grade	Core Courses	Required Courses	Elective Courses
A	20%	30%	40%
B	40%	40%	40%
C	30%	25%	15%
D	10%	5%	5%

## Tentative Schedule

Week	Topics	Exams / Problem Sets
1	Introduction	
2	Financial Statements, Taxes, and Cash Flow	
3	The Time Value of Money	Problem set 1 due
4	Discounted Cash Flow Valuation	Exam 1 covering weeks 1 - 3
5	Interest Rates and Bond Valuation	
6	Equity Markets and Stock Valuation	Problem set 2 due
7	Net Present Value and Other Investment Criteria	
8	Making Capital Investment Decisions	Exam II covering weeks 4 - 6
9	Some Lessons from Capital Market History	
10	Risk and Return	Problem set 3 due
11	Cost of Capital	Exam III covering weeks 7 - 11

## **Additional Required Information**

### **Attendance Policy**

Attendance at all classes and CIMBA sanctioned activities is MANDATORY. All unexcused absences will have the following consequences:

- a. 1st absence will result in a loss of a 1/3 of a letter grade in that class
- b. 2nd (cumulative) absence will result in a loss of an entire letter grade in that class
- c. 3rd (cumulative) absence will result in a dismissal from the program.

Absences due to illness require a note from the CIMBA Office Staff. If a student is sick and cannot attend class, he/she must inform the CIMBA Staff immediately. Failure to do so will result in an unexcused absence.

### **Grievance Policy**

Student concerns regarding this course should first be discussed with me, the faculty member teaching this course. If we can't resolve the complaint, you may contact the CIMBA Director, Brandelle Unkrich (319-335-1041, [brandelle-unkrich@uiowa.edu](mailto:brandelle-unkrich@uiowa.edu)). The Director will review the details of the complaint and involve the Associate Dean of the Undergraduate Programs, as needed.

### **Academic Misconduct**

The Tippie College of Business at the University of Iowa follows an honor code regarding academic misconduct. That code can be found at <http://tippie.uiowa.edu/honorcode.cfm> and includes cheating, plagiarism, unauthorized collaboration, obtaining an unfair advantage, forgery, facilitating academic dishonesty, and misrepresentation. Be sure you are familiar with this code. Students who exhibit academic dishonesty will receive a zero (0) for the assignment or examination involved and may receive an "F" for the class. All incidents of cheating will be reported to the CIMBA staff, as well as to the Senior Associate Dean of the Tippie College of Business. The decision of the professor may be appealed to a Judicial Board. The Honor Code for the Tippie College of Business will determine the appropriate appeal process.

### **Accommodating Students with Disabilities/Academic Accommodations**

A student seeking academic accommodations such as a modification of seating, testing, timing, etc. should first register with Student Disability Services, then contact Shannon Lizakowski ([shannon-lizakowski@uiowa.edu](mailto:shannon-lizakowski@uiowa.edu)) in the CIMBA Office to make further arrangements. See <http://sds.studentlife.uiowa.edu> for more information.

### **Sexual Harassment**

Sexual harassment subverts the mission of the University and threatens the well-being of students, faculty, and staff. All members of the UI community have a responsibility to uphold this mission and to contribute to a safe environment that enhances learning. Incidents of sexual harassment should be reported immediately. If you feel that you are being or have been harassed or you are not sure what constitutes sexual harassment, we encourage you to visit the University website, [www.sexualharassment.uiowa.edu/index.php](http://www.sexualharassment.uiowa.edu/index.php), and to seek assistance from the CIMBA Director, Brandelle Unkrich, at 319-335-1041 or [brandelle-unkrich@uiowa.edu](mailto:brandelle-unkrich@uiowa.edu).

