# THE UNIVERSITY OF TEXAS AT TYLER

**SOULES COLLEGE OF BUSINESS**

 **Summer-7WK1 2024**

**COURSE NUMBER:** FINA 5320.060

**COURSE TITLE:** Advanced Financial Management

**INSTRUCTOR:** Dr. Vivek Pandey

**REQUIRED TEXT:** **Cengage Unlimited (1-semester subscription ISBN: 9780357700037)**

 **Resources to select**: *Corporate Finance: A Focused Approach*, 7th Edition, by Michael Ehrhardt and Eugene Brigham on MindLinks™

 **Note: The above required resource is an electronic course management application which also includes access to the e-book.** The required resources are included in Cengage Unlimited, which allows you to select multiple resources (electronic textbooks, Aplia, etc.) during the 1-semester subscription period and access those resources for up to a year. Longer subscription periods are also available, but a 1-semester subscription will suffice for this class.

**REQUIRED**

**ACCESSORIES:** Stocktrak™, Financial calculator, ProctorU exam monitoring service *(Note: Stocktrak registration and ProctorU fees are paid for by the University, you will need to obtain your own financial calculator. A highly recommended calculator is the TI BA II Plus)*

**COURSE**

**DESCRIPTION:** The course content first introduces tools such as time value of money and measurement and analysis financial return and risk. Then, the course moves on to examine how companies decide to acquire and invest funds and the impact these decisions have on the firm's value in the market.

**PREREQUISITES:** The qualifications for MBA admissions require literacy in accounting, economics, statistics, and computer applications, among other things. If you have not had any courses in the above mentioned areas, please take the appropriate undergraduate courses before beginning your MBA course program. **Alternately, you may choose to complete the appropriate tutorials provided in Cengage MindTap (accessible through Canvas LMS) which is made available to enrolled students before classes begin.**

**COURSE OBJECTIVES:**

1. KNOWLEDGE OBJECTIVES OF THIS COURSE INCLUDE:

1. To understand corporate goals and the tax environment within which the finance function is performed.

2. To understand the nature of capital markets, determination of interest rates, and market valuation of the firm.

3. To comprehend the basics of security valuation.

1. To understand the basic determinants of cost of capital.
2. To develop approaches to capital budgeting.

6. To establish an optimal capital structure

7. To evaluate and manage risk in capital budgeting analysis

2. COMPETENCIES TO BE DEMONSTRATED IN THIS COURSE INCLUDE:

1. COMPUTER-BASED SKILLS:

1. WORD PROCESSING: Required for producing reports.
2. SPREADSHEET: Required for data entry and partial data analysis.
3. PRESENTATION SOFTWARE: Not assessed.
4. DATABASE MANIPULATION: Not assessed
5. INTERNET SEARCH SKILLS: Required for financial markets simulation research.

2. COMMUNICATION SKILLS:

1. WRITTEN
	1. REPORT ORGANIZATION: Demonstrated in discussion boards
	2. REFERENCING: Not assessed.
2. ORAL: Not assessed.
3. INTERPERSONAL SKILLS:
	1. TEAM-BASED ABILITIES – INTRA-GROUP AND INTER-GROUP COOPERATION: Demonstrated in discussion boards.
	2. LEADERSHIP: Not assessed.
	3. CONFLICT RESOLUTION: Demonstrated in discussion board dynamics.
4. PROBLEM SOLVING (CRITICAL THINKING):
	1. CONCEPTUAL THINKING: Required in class discussion dynamics.
	2. GATHERING AND ANALYZING DATA: Required for cases and projects.
	3. QUANTITATIVE/STATISTICAL SKILLS: Demonstrated in market simulation analysis.
	4. CREATIVITY AND INNOVATION: Demonstrated in simulation.
5. ETHICAL ISSUES IN DECISION MAKING AND BEHAVIORS: Demonstrated in class discussions regarding ethical issues.
6. PERSONAL ACCOUNTABILITY FOR ACHIEVEMENT:
	1. MEETING DEADLINES: Evaluated by meeting numerous assignment deadlines throughout the course.
	2. QUALITY OF WORK PERFORMED: Evaluated via graded outcomes of student work and exam scores.
7. COMPETENCE IN BASIC BUSINESS PRINCIPLES:
	1. competence in major field and grounding in other major core areas: Course content integrates financial functions into managerial decision making.
	2. Awareness of international as well as domestic implications of business decisions: Course content examines international investments and foreign exchange rate risk in context of managerial decision making.
	3. Understanding and appreciation of strategic impact of business decisions: Course caps content discussion with capital budgeting and capital structure decisions as strategic influences in managerial decisions.

3. OUTCOMES FOR STUDENTS TO SUCCESSFULLY COMPLETE THIS COURSE INCLUDE:

* + 1. Understand corporate goals and the regulatory environment within which the finance function is performed.
		2. Understand the nature of capital markets and the mechanics of security valuation.
		3. Apply the concepts of ‘time value of money’ and ‘risk analysis’ to the evaluation of investment alternatives faced by business organizations.
		4. Understand the mechanics of financing capital projects in the context of maximizing firm value.

**CLASS MEETING:** Online

**TEACHING METHOD:** Online presentations, help sessions, discussions boards, interactive problem solving exercises and stock market simulation.

**OFFICE & E-MAIL:** Location: COB 350.01; Phone: (903) 566-7224; Email: vpandey@uttyler.edu

**OFFICE HOURS:** This is an online class. Primary contact with the instructor should be via e-mail. Barring unforeseen circumstances, the instructor will get back to you within 24 hours of any e-mail or telephone query. The instructor will also conduct regular Zoom meetings, and a personal Zoom meeting may be scheduled by appointment.

**TOPICS COVERED:**

|  |  |
| --- | --- |
| TOPICS | CONTACT HOURS |
| Global Financial Environment and Legal Structure | 5 |
| Financial Analysis Techniques | 10 |
| Financial Investment Analysis | 10 |
| Capital Structure & Budgeting Decisions | 15 |
| Total Contact Hours  | 40 |

**CONTENT OUTLINE:**

|  |  |  |
| --- | --- | --- |
| Date Week / Date | Ch. | Topic |
| Week 1 | *Students must complete registration for Cengage MindLinks™* |
| May 13 |  | ***Stocktrak simulation begins*** |
|  |  | Introduction to Stocktrak |
|  | 1 | Overview of Financial Management and Financial Environment |
| May 19 | *Deadline to complete mandatory (graded) self-introduction & syllabus quiz* |
| May 19 |  | *Assignment due – Introduction to Aplia™* |
| May 19 |  | *Chapter 1 assignment due* |
| Week 2 | 2 | Financial Statements, Cash Flows & Taxes |
| May 22 |  | *Chapter 2 assignment due* |
|  | 3 | Analysis of Financial Statements |
| May 26 |  | *Chapter 3 assignment due* |
| Week 3 | 4 | Time Value of Money |
| May 29 |  | *Chapter 4 assignment due* |
| May 31 – Jun 2 | Exam 1 (Proctored exam monitored by Guardian) |
| Week 4 | 5 | Bonds, their Valuation, and Interest Rates |
| Jun 5 |  | *Chapter 5 assignment due in Aplia™* |
|  | 6 | Risk, Return and the Capital Asset Pricing Model |
| Jun 9 |  | *Chapter 6 assignment due* |
| Week 5 | 7 | Stocks and their Valuation |
| Jun 12 |  | *Chapter 7 assignment due* |
| Jun14 |  ***Last day to withdraw from the course*** |
| Jun 14-16 | Exam 2 (Proctored exam monitored by Guardian) |
| Week 6 | 9 | Cost of Capital |
| Jun 19 |  | *Chapter 9 assignment due* |
|  | 10 | Basics of Capital Budgeting  |
| Jun 23 |  | *Chapter 10 assignment due* |
| Week 7 | 11 | Cash Flow Estimation & Risk Analysis |
| Jun 26 |  | *Chapter 11 assignment due* |
| Jun 27 | ***Stocktrak™ simulation ends at 3 pm CDT*** |
| Jun 29 – Jul 1 | Exam 3 (Proctored exam monitored by Guardian) |
| *NOTE: Please note that all homework assignments are administered via Cengage MindTap/Aplia, accessible through Canvas, and is due by 11:59 pm on a Wednesday or a Sunday. Each of the online exams (exams 1 through 3) will be available from 10 am on the first day of the stated window until 10 pm on the last day of the window. Each exam will be timed to 2 hours which you may start at any time during the given window. This class schedule is subject to revisions by the instructor if it is deemed necessary as a responsive action to class progress and time constraints.* |

**STOCKTRAK ASSIGNMENT**

The Soules College of Business has obtained a site license for Stocktrak Global Market Simulation which allows you to participate in the simulation exercise for free. Look at the instructions within Module 1 on Canvas in order to find out how to register for the class simulation and proceed with it. Stocktrak assignment is a required and graded component of this class. Your score on Stocktrak assignment will be based on your completion percentage of the simulation. Simply completing the required tasks will give you a 100 percent in Stocktrak simulation. Everyone can and should complete this assignment as it has the potential to favorably impact your grade.

**EXAM ADMINISTRATION**

Please note that Exams 1, 2 & 3 in this class will be administered using ProctorU Guardian. The University pays the proctoring fees. To find out more about the ProctorU exam monitoring process, go to [www.proctoru.com](http://www.proctoru.com) and review their training videos. Practice quizzes will be made available to you using Respondus Lockdown Browser. If you do not have the Lockdown browser installed on your computer, you will need to install it before taking any of the practice quizzes made available to you via Canvas. You can obtain it from <http://www.respondus.com/lockdown/download.php?id=593832943>

**EVALUATION:**

A student’s grade for the class will be based on performance in exams, project assignments, and the level of participation in class. Below are the weights for the different components that comprise your grade in class.

|  |  |
| --- | --- |
| Component  | Weight |
| Exams | 45% |
| Homework Assignments | 40% |
| Stocktrak ™ Project | 12% |
| Other items (Intro, Syllabus quiz, etc.) | 3% |

**grading sCALE**

A standard 10-point scale is utilized to assign grades in class. The following is the scheme used to assign letter grades based on the overall weighted score received by a student from the various activities described above.

|  |  |
| --- | --- |
| Weighted Total Score | Grade |
| Greater than 90% | A |
| 80% to less than 90% | B |
| 70% to less than 80% | C |
| 60% to less than 70% | D |
| Less than 60% | F |

**OTHEr university policies:**

Please see the appropriate links from the Syllabus page in your Canvas course to access information regarding policies and resources made available to you on the web by the University.