FINA 4315 – Advanced Business Financial Analysis

Spring 2019

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Office Hours: By appointment (COBA 613), generally the best time is after the lecture.

Section Information: FINA 4315-001 (20431)

Time and Place of Class Meetings: Tuesdays & Thursdays 12:30 pm - 1:50 pm (COBA 254)

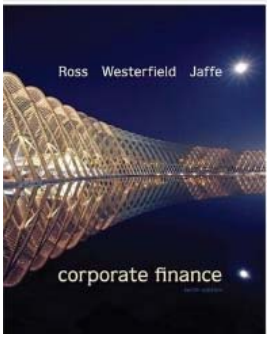
Description of Course Content: To develop an ability to recognize financial problems, collect and analyze financial data, formulate alternative solutions, and render financial decisions. Case materials are used in studying financial problems. Team projects and presentations are required. We cover investment rules, capital budgeting, valuation of assets, corporate financing, mergers and acquisitions, and corporate payout policy. Prerequisite: FINA 3313 Business Finance and FINA 3315 Investments.

Note, prerequisites for FINA 3313 are ECON 2306 PRINCIPLES OF MICROECONOMICS, ACCT 2302 PRINCIPLES OF ACCOUNTING II (and ACCT 2301), MATH 1316 MATHEMATICS FOR ECONOMICS AND BUSINESS ANALYSIS (and MATH 1315 or MATH 1302), and 60 credit hours.

Student Learning Outcomes:
i. understand the basic principles and solve problems in the following areas: (a) investment rules and capital budgeting, (b) corporate financing, (iii) mergers and acquisitions, (iv) corporate payout;
ii. apply valuation techniques in corporate settings;
iii. obtain business and finance data from several databases covered in class;
iv. analyze real business cases and make presentations to class peer groups.

Class Website: Blackboard (http://elearn.uta.edu/)
Grades will be posted at Blackboard

Required Textbook and Other Course Materials:
i. Textbook:
Ross, Westerfield, and Jaffe: *Corporate Finance*, 10th edition, McGraw-Hill.



ii. Lecture Notes:
Lecture notes are available at our class website. Please note the lecture notes only contain the subjects that I will cover in more detail in class. They are not a substitute for your own note-taking. **It is your responsibility to complete the notes.** If you miss a class for any reason, please try to borrow notes from your classmates, then you are welcome to bring remaining questions to my office hours.

iii. Financial Calculator:
You need a **financial calculator** for this class. The financial calculator that I use in class is Texas Instruments BA II Plus, but you can use other types of financial calculator. Please bring your financial calculator to our class, since we will often have in-class exercises.

Descriptions of major assignments and examinations:
i. Practice Problems:
Some of the end-of-chapter problems in our textbook are recommended as practice problems. Solutions to these problems are available at our class website. I will go through some of the practice problems in the review class before each exam. Your work on the practice problems will not be collected or graded, but it should help you to prepare for the exams.

ii. Homework Assignment:
There will be one homework assignment, which needs to use MS Excel. I will show you how to work on the assignment in the class that is referred to as "Excel homework demonstration" on the class schedule. Please refer to our class schedule for the specific date for the "Excel homework demonstration" class. Attendance in the homework demonstration class is required and will be factored into your course grade. You are welcome to bring your own laptop computer to the homework demonstration class. The assignment is expected to be completed before the first exam, because you are expected to bring your completed assignment to the first exam and some questions in the first exam will be based on this assignment. The assignment itself will not be graded; but your understanding of the assignment is tested on the first exam.

iii. Team Projects:
Each project team should have 2-4 members. Please find your teammates yourself by the deadlines. Each team member will be asked to turn in a team evaluation after their project presentation is done. I will adjust project grade to reflect peer estimations of the effort provided by each member. I will assign an overall grade to each team, and then use the peer estimation to make adjustment to each individual's grade. Specifically, if a student gets 5, which is the highest grade, from his/her team members, this student will get the team overall grade. If a student gets less than 5 from his/her team members, this student's grade will be less than the team overall grade. You are encouraged to discuss your project with me if you have questions.

iv. Exams:
There will be three exams for this class (and no final comprehensive or accumulative exam). Each exam will cover two lectures only. There will be no makeup exams unless appropriate documents are provided to justify absence.
Please note that the textbook and the online class notes typically do not contain all the details that we cover in class. When it comes to the question of what will be covered in exams, the answer is always the material covered in class instead of the material covered by the textbook, unless the same material is covered by both.

You can have a **formula sheet (size:** $8\frac{1}{2}\times 11$**)** for all your exams. You can use only **one side** of the formula sheet. The formula sheet can only have mathematical formulas. Examples, conceptual materials (e.g., non-mathematical definition, explanation, classification, decision rules, etc.), or calculator steps, are **NOT allowed** on the formula sheet. The formula sheet can be hand-written, typed, or printed. Please put your full name on the formula sheet. Your formula sheet will be collected along with your exam and Scantron sheet at the end of each exam. Any violation of the above rules is considered as a violation of academic integrity. Please refer to the section on "Academic Integrity" on page 7 of the syllabus.

Attendance and Participation:
At the University of Texas at Arlington, taking attendance is not required. Rather, each faculty member is free to develop his or her own methods of evaluating students' academic performance, which includes establishing course-specific policies on attendance. As the instructor of this section, I have established following attendance policy: **Attendance and participation is required and will be factored into your course grade.** Students are responsible for all the announcements made in class whether in attendance or not. Attending all the classes does not necessarily mean that you will get all the points for class participation, although attending classes is a necessary condition for earning your class participation points. During most of the classes, I will call on some students to answer questions; not being able to give any answer to my question (including not attending that class) will automatically result in a reduction of your class participation points.

Grading:
Your grade will be determined as follows:

	Course Points
Homework demo. class attendance	2
Exam 1	20
Self-introduction	2
Team Project #1	6
Exam 2	25
Team Project #2	10
Exam 3	25
Class participation	10
Total	**100**

Your course grade will be based on the following point scale:

Grade	**Course Points**
A	90-100
B	80-89.99
C	70-79.99
D	60-69.99
F	below 60

Recommended practice problems from our textbook (10th ed.)

Lectures	Chapters	Practice Problems
Lecture 1: Investment Rules,	Chapter 5	Chap. 5: Questions and Problems: 5, 10, 13, 16 (a,b,c only)
Lecture 2: Capital Budgeting,	Chapters 2& 6	Chap. 2: Concept Questions: 2, 4, 8. Chap. 6: Concept Questions: 2, 3. Questions and Problems: 8.
Exam 1 (In Class): Covers Lectures 1-2 (including Excel homework assignment)		
Lecture 3: Issuing Equity to the Public	Chapter 20	Chap.20: Questions and Problems: 5, 6.
Lecture 4: Mergers & Acquisitions	Chapter 29	Chap. 29: Questions and Problems: 1.
Exam 2 (In Class): Covers Lectures 3-4		
Lecture 5: Cost of Capital	Chapter 13	Chap. 13: Concept Questions: 1, 2, 5, 6, 8. Questions and Problems: 1, 2, 5, 11, 12
Lecture 6: Dividend & Repurchase	Chapter 19	Chap. 19: Concept Questions: 4, 8, 9, 10. Questions and Problems: 2, 3, 4, 5, 6
Exam 3: Covers Lectures 5-6		

Course Schedule:

As the instructor for this course, I reserve the right to adjust this schedule in any way that serves the educational needs of the students enrolled in this course.

Tentative Schedule (3/28/2019)

("TU" means Tuesday, and "TH" means Thursday.)

Date	Activity	Reading (10th ed.)	Practice Problems (10th ed.)
Jan. 15 (TU)	Class Introduction	Course Syllabus	
Jan. 17 (TH)	**Self-introduction,** Lecture 1: Investment Rules	Chapter 5	Chap. 5: Questions and Problems: 5, 10, 13, 16 (a,b,c only)
Jan. 22 (TU)	**Self-introduction,** Lecture 2: Capital Budgeting	Chapters 2& 6	Chap. 2: Concept Questions: 2, 4, 8. Chap. 6: Concept Questions: 2, 3. Questions and Problems: 8.
Jan. 24 (TH)	**Self-introduction,** More on Lecture 2		
Jan. 29 (TU)	**Excel Homework Demonstration**		
Jan. 31 (TH)	**Self-introduction,** Finish up Lecture 2, Review for Exam 1//Q&As with instructor		
Feb. 5 (TU)	Exam 1 (In Class): Covers Lectures 1-2 (including Excel homework assignment) Please bring appropriate ScanTron sheet, formula sheet, calculator, pencils and erasers.		

Date	Activity	Reading (10th ed.)	Practice Problems (10th ed.)
Feb. 7 (TH)	**Self-introduction,** Recap Exam 1, Team Project Overview, Lecture 3: Issuing Equity to the Public	Chapter 20	Chap.20: Questions and Problems: 5, 6.
Feb. 12 (TU)	**Self-introduction,** More on Lecture 3, **Team Project #1 Discussion, Team meetings**		
Feb. 14 (TH)	More on Lecture 3**, Team Project #1 Discussion, Team meetings** **Team Project #1 Topic and Team Member Names Due by 5pm**		
Feb. 19 (TU)	More on Lecture 3**, Team Project #1 Discussion, Team meetings**		
Feb. 21 (TH)	**Team Project #1 Presentations**		
Feb. 26 (TU)	Finish up Lecture 3		
Feb. 28 (TH)	Lecture 4: Mergers & Acquisitions	Chapter 29	Chap. 29: Questions and Problems: 1.
Mar. 5 (TU)	More on Lecture 4 and Team Project #2		
Mar. 7 (TH)	More on Lecture 4 and Team Project #2, **Team meetings** **Team Project #2 Topic and Team Member Names Due by 5pm**		
Mar. 12 (TU)	*Spring Vacation-No Class*		
Mar. 14 (TH)	*Spring Vacation-No Class*		
Mar. 19 (TU)	More on Lecture 4 and Team Project #2, **Team meetings**		
Mar. 21 (TH)	More on Lecture 4 and Team Project #2, **Team meetings**		
Mar. 26 (TU)	Guest speaker		
Mar. 28 (TH)	More on Lecture 4		
Apr. 2 (TU)	More on Lecture 4		
Apr. 4 (TH)	Finish up Lecture 4, Review for Exam 2/Q&As with instructor, **Team Project #2 Report Due by 5pm *via Email***		
Apr. 9 (TU)	Exam 2 (In Class): Covers Lectures 3-4, Please bring appropriate ScanTron sheet, formula sheet, calculator, pencils and erasers.		
Apr. 11 (TH)	Lecture 5: Cost of Capital	Chapter 13	Chap. 13: Concept Questions: 1, 2, 5, 6, 8. Questions and Problems: 1, 2, 5, 11, 12
Apr. 16 (TU)	Finish up Lecture 5		
Apr. 18 (TH)	**Team Project #2 Presentations, PPT slides due by 5pm on Apr. 17**		
Apr. 23 (TU)	**Team Project #2 Presentations, PPT slides due by 5pm on Apr. 22**		
Apr. 25 (TH)	Lecture 6: Dividend & Repurchase	Chapter 19	Chap. 19: Concept Questions: 4, 8, 9, 10. Questions and Problems: 2, 3, 4, 5, 6
Apr. 30 (TU)	Finish up Lecture 6		
May 2 (TH)	Review for Exam 3/Q&As with instructor		
May 9 (TH)	Exam 3: Covers Lectures 5-6 Exam time period is **8:00am-10:30am** Please bring appropriate ScanTron sheet, formula sheet, calculator, pencils and erasers.		

University Policies

Drop Policy: Students may drop or swap (adding and dropping a class concurrently) classes through self-service in MyMav from the beginning of the registration period through the late registration period. After the late registration period, students must see their academic advisor to drop a class or withdraw. Undeclared students must see an advisor in the University Advising Center. Drops can continue through a point two-thirds of the way through the term or session. It is the student's responsibility to officially withdraw if they do not plan to attend after registering. **Students will not be automatically dropped for non-attendance**. Repayment of certain types of financial aid administered through the University may be required as the result of dropping classes or withdrawing. For more information, contact the Office of Financial Aid and Scholarships (http://wweb.uta.edu/aao/fao/).

Disability Accommodations: UT Arlington is on record as being committed to both the spirit and letter of all federal equal opportunity legislation, including *The Americans with Disabilities Act (ADA), The Americans with Disabilities Amendments Act (ADAAA),* and *Section 504 of the Rehabilitation Act.* All instructors at UT Arlington are required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of disability. Students are responsible for providing the instructor with official notification in the form of **a letter certified** by the Office for Students with Disabilities (OSD). Only those students who have officially documented a need for an accommodation will have their request honored. Students experiencing a range of conditions (Physical, Learning, Chronic Health, Mental Health, and Sensory) that may cause diminished academic performance or other barriers to learning may seek services and/or accommodations by contacting:
The Office for Students with Disabilities, (OSD) www.uta.edu/disability or calling 817-272-3364. Information regarding diagnostic criteria and policies for obtaining disability-based academic accommodations can be found at www.uta.edu/disability.

Counseling and Psychological Services, (CAPS) www.uta.edu/caps/ or calling 817-272-3671 is also available to all students to help increase their understanding of personal issues, address mental and behavioral health problems and make positive changes in their lives.

Non-Discrimination Policy: *The University of Texas at Arlington does not discriminate on the basis of race, color, national origin, religion, age, gender, sexual orientation, disabilities, genetic information, and/or veteran status in its educational programs or activities it operates. For more information, visit uta.edu/eos.*

Title IX Policy: The University of Texas at Arlington ("University") is committed to maintaining a learning and working environment that is free from discrimination based on sex in accordance with Title IX of the Higher Education Amendments of 1972 (Title IX), which prohibits discrimination on the basis of sex in educational programs or activities; Title VII of the Civil Rights Act of 1964 (Title VII), which prohibits sex discrimination in employment; and the Campus Sexual Violence Elimination Act (SaVE Act). Sexual misconduct is a form of sex discrimination and will not be tolerated. *For information regarding Title IX, visit* www.uta.edu/titleIX or contact Ms. Jean Hood, Vice President and Title IX Coordinator at (817) 272-7091 or jmhood@uta.edu.

Academic Integrity: Students enrolled in this course are expected to adhere to the UT Arlington Honor Code:

> *I pledge, on my honor, to uphold UT Arlington's tradition of academic integrity, a tradition that values hard work and honest effort in the pursuit of academic excellence.*
>
> *I promise that I will submit only work that I personally create or contribute to group collaborations, and I will appropriately reference any work from other sources. I will follow the highest standards of integrity and uphold the spirit of the Honor Code.*

UT Arlington faculty members may employ the Honor Code as they see fit in their courses, including (but not limited to) having students acknowledge the honor code as part of an examination or requiring students to incorporate the honor code into any work submitted. Per UT System *Regents' Rule* 50101, §2.2, suspected violations of university's standards for academic integrity (including the Honor Code) will be referred to the Office of Student Conduct. Violators will be disciplined in accordance with University policy, which may result in the student's suspension or expulsion from the University.

Student Support Services: UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include tutoring, major-based learning centers, developmental education, advising and mentoring, personal counseling, and federally funded programs. For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to resources@uta.edu, or view the information at www.uta.edu/resources.

Electronic Communication: UT Arlington has adopted MavMail as its official means to communicate with students about important deadlines and events, as well as to transact university-related business regarding financial aid, tuition, grades, graduation, etc. All students are assigned a MavMail account and are responsible for checking the inbox regularly. There is no additional charge to students for using this account, which remains active even after graduation. Information about activating and using MavMail is available at http://www.uta.edu/oit/cs/email/mavmail.php.

Campus Carry: Effective August 1, 2016, the Campus Carry law (Senate Bill 11) allows those licensed individuals to carry a concealed handgun in buildings on public university campuses, except in locations the University establishes as prohibited. Under the new law, openly carrying handguns is not allowed on college campuses. For more information, visit http://www.uta.edu/news/info/campus-carry/

Student Feedback Survey: At the end of each term, students enrolled in classes categorized as "lecture," "seminar," or "laboratory" shall be directed to complete an online Student Feedback Survey (SFS). Instructions on how to access the SFS for this course will be sent directly to each student through MavMail approximately 10 days before the end of the term. Each student's feedback enters the SFS database anonymously and is aggregated with that of other students enrolled in the course. UT Arlington's effort to solicit, gather, tabulate, and publish student feedback is required by state law; students are strongly urged to participate. For more information, visit http://www.uta.edu/sfs.

Final Review Week: A period of five class days prior to the first day of final examinations in the long sessions shall be designated as Final Review Week. The purpose of this week is to allow students

sufficient time to prepare for final examinations. During this week, there shall be no scheduled activities such as required field trips or performances; and no instructor shall assign any themes, research problems or exercises of similar scope that have a completion date during or following this week *unless specified in the class syllabus*. During Final Review Week, an instructor shall not give any examinations constituting 10% or more of the final grade, except makeup tests and laboratory examinations. In addition, no instructor shall give any portion of the final examination during Final Review Week. During this week, classes are held as scheduled. In addition, instructors are not required to limit content to topics that have been previously covered; they may introduce new concepts as appropriate.

Emergency Exit Procedures: Should we experience an emergency event that requires us to vacate the building, students should exit the room and move toward the nearest exit. When exiting the building during an emergency, one should never take an elevator but should use the stairwells. Faculty members and instructional staff will assist students in selecting the safest route for evacuation and will make arrangements to assist handicapped individuals.

Student Support Services: UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include tutoring, major-based learning centers, developmental education, advising and mentoring, personal counseling, and federally funded programs. For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to resources@uta.edu, or view the information at www.uta.edu/resources.

The IDEAS Center (2nd Floor of Central Library) offers **free** tutoring to all students with a focus on transfer students, sophomores, veterans and others undergoing a transition to UT Arlington. To schedule an appointment with a peer tutor or mentor email IDEAS@uta.edu or call (817) 272-6593.

The English Writing Center (411LIBR): The Writing Center Offers free tutoring in 20-, 40-, or 60-minute face-to-face and online sessions to all UTA students on any phase of their UTA coursework. Our hours are 9 am to 8 pm Mon.-Thurs., 9 am-3 pm Fri. and Noon-6 pm Sat. and Sun. Register and make appointments online at http://uta.mywconline.com. Classroom Visits, workshops, and specialized services for graduate students are also available. Please see www.uta.edu/owl for detailed information on all our programs and services.

The Library's 2nd floor Academic Plaza offers students a central hub of support services, including IDEAS Center, University Advising Services, Transfer UTA and various college/school advising hours. Services are available during the library's hours of operation. http://library.uta.edu/academic-plaza

Emergency Phone Numbers: In case of an on-campus emergency, call the UT Arlington Police Department at **817-272-3003** (non-campus phone), **2-3003** (campus phone). You may also dial 911. Non-emergency number 817-272-3381