

THE UNIVERSITY OF TEXAS AT EL PASO

Department of Economics and Finance

Dr. Faith Xie

Professor of Finance

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FIN 4310 (CRN 20858) Managerial Finance

Spring 2024

Class Hours: 9:00 am -10:20 am Tuesdays & Thursdays, BUSN 301
Office Hours: 10:30 am -11:30 am Tuesdays & Thursdays, and by appointment
Textbook: *Corporate Finance*, 13th Edition, by Ross, Westerfield, Jaffe, and Jordan
 McGraw-Hill Irwin.
Teaching Assistant: Obed N Buadi, email: onbuadi@miners.utep.edu

Prerequisites:

1. FIN 3310 (Business Finance).
2. A financial calculator, such as TI BA II Plus or equivalent, is highly recommended. Your calculator should be able to compute the NPV and the IRR of an uneven stream of cash flows.

Course Description:

A study of the financial manager in decision making involving asset valuation, capital budgeting and financing, and practices in business enterprises. Particular emphasis is given to illustrative problems and cases.

Course Objective:

Upon successful completion of the course, students should be able to

1. understand and apply financial planning models,
2. understand and apply the capital budgeting process,
3. understand and apply the capital structure process,
4. understand and apply modern financial theory to security and corporate valuation.

Grade Components:

| Component | Weight |
|--------------------------------|----------|
| Nine (9) Homework Assignments | 11% |
| Three (3) Excel-based Projects | 21% |
| Four (4) Exams (17% each) | 68% |
| Final Exam | optional |
| Total | 100% |

Homework: Homework assignments will be collected via Blackboard. Late submissions will **NOT** be accepted under ANY circumstance.

Excel Projects: The completed Excel projects will be collected via Blackboard. Late submissions will **NOT** be accepted under ANY circumstance. Refer to the file labeled *Instructions for Excel Projects* on course Blackboard for details.

Exams: All students must take the four (4) exams at the scheduled time that will be announced in class. Make-up exams will be given to students who have “**excused absences due to university-recognized**

activities". See the student handbook for a description of these activities. These students must send written notice to the instructor about such absences.

Note: 1) While the average weight on an exam is 17%, the highest exam grade will weigh 19%, and the lowest exam grade will weigh 15%, with the remaining two exams weighing 17% each in the calculation of the final course grade.

2) If you have to miss an exam due to anything other than "the university-recognized activities", you can make it up by taking the optional final exam.

3) If you take all five exams (the first four exams plus the final), the one with the lowest grade will be dropped from the course grade calculation.

Email Policy:

The department's policy is that all emails sent to professors or teaching assistants are professional of nature. A formal greeting and salutation are required. Proper grammar, spelling, and format are required. You must clearly state the problem or question to be addressed. **On the email's subject line, you must identify the course number/CRN involved.** We reserve the right not to respond to any email that does not meet these requirements and is not professional.

Accommodations Policy:

The University is committed to providing reasonable accommodations to students with documented disabilities. Students who become pregnant may also request reasonable accommodation, in accordance with state and federal laws and regulations and University policy. Accommodations that constitute undue hardship are not reasonable. To make a request, please register with the UTEP Center for Accommodations and Support Services (CASS). Contact CASS at 915-747-5148, email them at cass@utep.edu, or apply for accommodations online via the CASS portal.

Illness Precautions:

Please stay home if you have symptoms of a communicable illness. If you are feeling unwell, please let me know as soon as possible, so that we can work on appropriate accommodation.

Withdrawal Policy:

The instructor will not drop you from the course. However, if you feel that you are unable to complete the course successfully, please let me know and then contact the [Registrar's Office](#) to initiate the drop process. If you do not, you are at risk of receiving an "F" for the course. The drop deadline is **March 28, 2024**.

Scholastic Integrity:

Academic dishonesty is prohibited and is considered a violation of the UTEP Handbook of Operating Procedures. It includes, but is not limited to, cheating, plagiarism, and collusion. Cheating may involve copying from or providing information to another student, possessing unauthorized materials during a test, or falsifying research data on laboratory reports. Plagiarism occurs when someone intentionally or knowingly represents the words or ideas of another as ones' own. Collusion involves collaborating with another person to commit any academically dishonest act. Any act of academic dishonesty attempted by a UTEP student is unacceptable and will not be tolerated. All suspected violations of academic integrity at The University of Texas at El Paso must be reported to the [Office of Student Conduct and Conflict Resolution \(OSCCR\)](#) for possible disciplinary action. To learn more, please visit [HOOP: Student Conduct and Discipline](#).

Guidance on Artificial Intelligence:

Use of AI technologies or automated tools, particularly generative AI such as [ChatGPT](#) or [DALL-E](#), is *not allowed* for assignments in this class. Each student is expected to use critical and creative thinking skills to complete tasks and not rely on computer-generated ideas. Any direct use of AI-generated materials submitted as your own work will be treated as plagiarism and reported to the Office of Student Conduct and Conflict Resolution (OSCCR).

Course Resources: Where you can go for assistance

UTEP provides a variety of student services and support. Please refer to the QR code below for a listing of campus resources or visit https://www.utep.edu/advising/student_resources/student-success-resource-hub.html.



Tentative Course Outline

| Week | Topics | Assignments |
|-----------------------------------|---|---|
| W1 1/16, 18 | Introduction and Course Overview Ch3 Financial Statements Analysis and Financial Model | HW1 Ch3 Pg. 76: 1 to 8,19,20 |
| W2 1/23, 25 | 1/23: Ch4 Discounted Cash Flow Valuation 1/25: Lab session: Meet in Tacc Labs ? and ? | |
| W3 1/30, 2/1 | Ch4 Discounted Cash Flow Valuation | HW2* Ch4 Pg.122: 7,9, 11,13, 14,17,23,25, 27, 28, 52,57,58 |
| W4 2/6, 8 | Catch-up and Review Exam 1 (Chs 3, 4) | |
| W5 2/13, 15 | Ch5 NPV and Other Investment Rules Excel Project 1 due 2/21 | HW3 Ch5, Pg. 160: 1,3,6,8, 12,14(a-c),16(a-c) |
| W6 2/20, 22 | Ch6 Making Capital Investment Decisions | HW4 Ch6, Pg. 195: 3,4,8,9,10,12,34 |
| W7 2/27, 29 | Ch7 Risk Analysis and Capital Budgeting | HW5 Ch7, Pg. 226: 1,2,4,9,12,13 |
| W8 3/5, 7 | Catch up and Review 3/7 Lab session: Meet in Tacc Labs ? and ? | |
| W9 3/11-15 | Spring break | |
| W10 3/19, 21 | Exam 2 (Chs 5, 6, 7) Ch8 Interest Rates and Bond Valuation | |
| W11 3/26, 28 | Ch9 Stock and Firm Valuation Project 2 with written report due 3/27 | HW6 Ch9, Pg.293: 1,4,5,8,10,12,17,31 |
| (3/28) | (Spring Drop/Withdrawal Deadline) | |
| W12 4/2, 4 | Ch13 Cost of Capital: the WACC | HW7* Ch13, Pg. 423: 1 to 5, 8,9,11,12,17 |
| W13 (4/9, 11) | Catch up and Review Exam 3 (Chs 8, 9, 13) | |
| W14 (4/16, 18) | Ch16 Capital Structure: Basic Concepts Project 3 due 4/29 | HW8 Ch16, Pg. 516: 1,3,4, 6(a, b), 10 to 15 |
| W15 (4/23, 25) | Ch19 Dividends and Other Payouts | HW9 Ch19, Pg. 611: 2,3,4,8. |
| W16 (4/30, 5/2) | Catch up Exam 4 (Chs16, 19) | |
| W17 (5/7 or 5/9) | Final exam (30 multiple-choices questions) TBD | Chs. 4,5,9,13,19 |

The above is the tentative syllabus. The instructor reserves the right to change the syllabus during the semester. *HW2 & HW7 each counts two points.