UNIVERSITY OF TEXAS AT EL PASO
DEPARTMENT OF ECONOMICS AND FINANCE
FINANCE 4310, MANAGERIAL FINANCE (CRN 13074)
12:00 - 1:20 PM TUESDAY AND THURSDAY, BUSN 318
FALL 2014 SYLLABUS

TR 12:00 PM to 1:20 PM
PLACE: BUSN 318

INSTRUCTOR: Gary R. Hedrick
OFFICE: BUSN 224

PHONE: 915-747-6033
915-525-3492 (cell)
EMAIL: grhedrick@utep.edu

OFFICE HOURS: TR 11:00 AM to 12:00 Noon, or by appointment

TEXTBOOKS/MATERIALS

CATALOG DESCRIPTION/PREREQUISITE: FIN 4310: Managerial Finance: The development and utilization of financial plans, policies and practices in business enterprises. Particular emphasis is given to illustrative problems and cases. Restricted to majors: ACCT, BSAD, CIS, ECON, FIN, MGMT, and MKT. Prerequisite: FIN 3310.

OBJECTIVE: The objective of this course is to broaden and deepen your understanding of finance, as it applies to the internal decisions of the business enterprise, by empowering you with the enhanced insights that financial theory provides. As such, this course aims for your understanding of foundational topics in finance - such as valuation and risk, portfolio diversification, capital structure and budgeting, dividend policy, and financial markets and investments - to become a more natural part of your knowledge in finance. The insights that this course provides will enhance your application of finance to empirical analysis and the specialized settings involved in other finance courses. This course also broadens by introducing the theory and application of mergers and acquisitions, and bankruptcy, topics mostly new to students of finance at this juncture in their career.

Outcomes measurements: Student achievement in course objectives will be assessed based on performance on exams and through class attendance.

STUDENT ACCOMMODATIONS: If you have or suspect a disability and need accommodations you should contact Disabled Student Services Office (DSSO) at 747-5148 or at dss@utep.edu or go to Room 106 Union East Building.
**Requirements:** Attendance is a requirement and is assumed and expected. Students missing more than 3 classes should seriously reflect on their commitment to this course, as missing classes is highly and directly correlated with poor performance. Students may be asked to produce evidence of their note taking and problem working efforts when seeking the instructor's advice on improving their performance, as key ingredients in improving performance are good note taking (which requires class attendance) and good effort in working problems.

Your course grade will be determined by your weighted performance in the following categories, with the final course grade based on the 10 point scale, i.e. 90 percent is an A, 80 percent is a B, etc.

<table>
<thead>
<tr>
<th>EXAM</th>
<th>AVERAGE WEIGHT**</th>
<th>DATE (Tentative)</th>
<th>TIME</th>
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<tbody>
<tr>
<td>Exam I</td>
<td>18 percent</td>
<td>Thur, September 4, 2014</td>
<td>12:00pm-1:20pm</td>
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<tr>
<td>Exam II</td>
<td>18 percent</td>
<td>Tues, September 30, 2014</td>
<td>12:00pm-1:20pm</td>
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<tr>
<td>Exam III</td>
<td>18 percent</td>
<td>Tues, October 28, 2014</td>
<td>12:00pm-1:20pm</td>
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<tr>
<td>Exam IV</td>
<td>18 percent</td>
<td>Tues, November 25, 2014</td>
<td>12:00pm-1:20pm</td>
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<tr>
<td>Final Exam</td>
<td>18 percent</td>
<td>Thurs, December 4, 2014</td>
<td>12:00pm-1:20pm</td>
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<tr>
<td>Attendance</td>
<td>10 percent</td>
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**While on average the weight per exam is 18 percent, the lowest exam grade will be weighed 8% and the highest exam grade will be weighed 28% in the calculation of the final course average. The remaining exams will weigh 18% each. The instructor reserves the right to reschedule the final exam to occur during finals week.**

**Class Attendance:** Class attendance weighs for 10 percent of the final course grade. A zero will be allocated to one-fifth of this attendance weight when a student misses a lecture class for the second time in this course. Cumulatively, a zero will be allocated to all 10% of this attendance weight when a student misses six lecture classes in this course. Lecture classes are classes on days when an exam is not given – because there is a separate policy for missing exams. Exceptions to this full penalty for missing classes are possible on a case by case basis, but they will be limited to cases where the reason for missing class is completely beyond the student's control or the student has an official university exemption for missing a class. Simply speaking, any student missing six or more classes in this course will receive 0% credit on 10% of the final course grade, compared to those students equivalent in all other respects but with perfect attendance.

**Exams:** Situational problem, mini-cases, essay and definitional type questions, and multiple-choice and true-false questions, will appear in the examinations. The final exam will be comprehensive, in that it will encompass material learned throughout the course, whereas all other exams will include on a non-cumulative basis only the material covered since the last exam.

**Missed Exams:** Credit for a missed exam may be made-up ONLY IF:

(1) the reason for missing the exam is beyond the student's control, e.g. such as a medical excuse, jury duty, death in the family or automobile accident, or
(2) prior consent is obtained from the instructor for missing the exam based on a non-frivolous excuse, e.g. such as a job interview or out-of-town job related travel.

In either case, the student must submit a written and signed statement concerning the reasons for missing the exam, with appropriate documentation, and petition for a makeup.

A missed exam will carry a zero grade if these conditions are not met.

Any student missing the Final Exam, presuming that the conditions for an approved make-up are satisfied, will need to take a make-up of the Final Exam at a time convenient to both the student and instructor. Students missing the Final Exam under approved conditions will receive (unless precluded by university rules) a grade of "I" (incomplete) for the course (unless the make-up can be conveniently scheduled before the university deadline for submission of grades). Students receiving a grade of "I" for missing the Final Exam will be responsible for making up the Final Exam at a time convenient to both the student and instructor. A make-up of the Final Exam because of an incomplete grade is subject to university rules.

ACADEMIC HONESTY: Scholastic academic dishonesty is prohibited and considered a violation of the UTEP Handbook of Operating Procedures. Any student who commits an act of scholastic dishonesty is subject to discipline. Scholastic dishonesty includes, but is not limited to, cheating, plagiarism, collusion, the submission for credit of any work or materials that another person prepared or created, taking an examination for another person, and any act designed to give unfair advantage to a student or the attempt to commit such acts. Proven violations of the detailed regulations, as printed in the Handbook of Operating Procedures (HOP) and available in the Office of the Dean of Students and the homepage of The Dean of Students at www.utep.edu/dos, may result in sanctions ranging from disciplinary probation, a failing grade on the work in question, a failing grade in the course, suspension or dismissal, among others.

COURSE OUTLINE:
30 Sessions / 15 Weeks

I. Week 1. Session 1 Tues Aug 26
   CHAPTER 1 Overview – Intro to Corporate Finance

II. Week 1. Session 2 Thur Aug 28
    CHAPTER 4 Review Time Value of Money

III. Week 2. Session 3 Tues Sept 2
     CHAPTER 4 Continue Time Value of Money; Review for Exam 1

IV. Week 2. Session 4 Thur Sept 4 – EXAM 1

V. Week 3. Session 5 Tues Sept 9
   Review Exam 1; Begin CHAP 2 Financial Statements

1 The instructor reserves the right to revise the course outline, and slow down or speed up as the class pace dictates.
VI. Week 3. Session 6 Thur Sept 11  
CHAP 2 & 3 Financial Statements, Cash Flow and Analysis

VII. Week 4. Session 7 Tues Sept 16  
CHAP 8 Bond Valuation

VIII. Week 4. Session 7 Thur Sept 18  
CHAP 9 Stock Valuation

IX. Week 5. Session 9 Tues Sept 23  
CHAPTER 3 Financial Models

X. Week 5. Session 10 Thur Sept 25  
Review for Exam 2

XI. Week 6. Session 11 Tues Sept 30  EXAM 2

XII. Week 6. Session 12 Thur Oct 2  
Review Exam 2; Begin CHAPTER 10 Risk & Return

XIII. Week 7. Session 13 Tues Oct 7  
CHAPTER 10 Risk & Return - Continued

XIV. Week 7. Session 14 Thur Oct 9  
CHAPTER 11 CAPM; Portfolio Theory

XV. Week 8. Session 15 Tues Oct 14  
CHAPTER 13 Cost of Capital

XVI. Week 8. Session 16 Thur Oct 16  
CHAP 19 Dividends and Other Payouts

XVII. Week 9. Session 17 Tues Oct 21  
CHAPTER 6 Capital Budgeting

XVIII. Week 9. Session 18 Thur Oct 23  
Review for Exam 3

XIX. Week 10. Session 19 Tues Oct 28 – EXAM 3

XX. Week 10. Session 20 Thur Oct 30  
Review Exam 3; Begin CHAP 16 & 17 Capital Structure

XXI. Week 11. Session 21 Tues Nov 4  
CHAPTER 16 & 17 Capital Structure - Continued
XXII. Week 11. Session 22 Thur Nov 6
CHAPTER 22 Options

XXIII. Week 12. Session 23 Tues Nov 11
CHAPTER 29 Mergers & Acquisitions

XXIV. Week 12. Session 24 Thur Nov 13
CHAP 30 Financial Distress & Bankruptcy

XXV. Week 13. Session 25 Tues Nov 18
CHAP 21 Leasing

XXVI. Week 13. Session 26 Thur Nov 20
Review for Exam 4

XXVII. Week 14. Session 27 Tues Nov 25 – EXAM 4

XXVIII. Week 14. Session 28 Thur Nov 27
Thanksgiving Holiday

XXIX. Week 15. Session 29 Tues Dec 2
COURSE SUMMARY – Review for Final

Final Exam, Thursday, December 4, 2014, 12:00pm-1:20pm