

*Department of Economics & Finance
College of Business
Texas A&M University-Commerce*

**FIN 501 (81E) – Finance for Decision Makers
Spring 2017**

Instructor: Dror Parnes, Ph.D.

Office: BA204 (Texas A&M Commerce)
Office Hours: Tuesday, 5 – 7 PM (or by appointment)
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Class Hours: Thursday, 6:15 – 8:55 PM at the University Campus Dallas (UCD)

Course Description and Objectives


This course provides graduate students with a rigorous introduction to the fundamental principles of finance. The primary concepts covered include the time value of money, principles of valuation and risk, the nature and characteristics of domestic and international financial securities and markets. Specific applications include the valuation of debt and equity securities and capital budgeting analysis.

Prerequisites

Basic knowledge of Calculus, Statistics, and Accounting

Textbook

“Fundamentals of Financial Management” (9th Edition), By: Eugene F, Brigham and Joel F. Houston (Cengage Learning)

 We will not strictly follow this textbook. There are topics in the course that somewhat deviate from the book. The textbook can be used as a further reading material, but all you need for the course is my Power Point slides and my practice questions and answers already posted.

Exams and Grading


There will be 3 exams during the course. Each one will last for 1 hour and 15 minutes. Each contains 12 multiple choice questions (8.333 points each question, 100 points altogether). These relatively short exams will cover the most recent lectures, and they will be non-cumulative. All exams are closed-material. You can bring a financial calculator (or any other calculator for that matter as long as *it does not contain a USB port or any other storage capacity*), pen / pencil, and a clean scrap paper. I will attach to each exam the respective formulas, and I will provide guidelines and/or practice questions prior to the exams.

Course Content and Communication

All communications will take place through TAMUC official website.

Grading System

Your final grade will be based on a simple average of the 3 exams during the course. In light of the high intensity of the course, make-up exams are only for students with proven medical records. Once this average is computed, I will assign a final grade according to: ‘A’ (from 90 to 100), ‘B’ (from 80 to 90), ‘C’ (from 70 to 80), ‘D’ (from 60 to 70), ‘F’ (less than 60). *There will be no more optional bonus points or mercy assignments, so make sure to do your best these exams!*

 We will use a lot of calculus and statistical methods during the course. I will attempt to clarify these techniques when it is relevant, yet I can only do that concisely. Make sure to refresh your memory with those techniques. The best time to do that is yesterday!

Attendance and general behavior

It is your responsibility to show up for classes (on time) and to get notes from one of your fellow students whenever you cannot come. During class time, feel free to eat or drink. The only thing I’m asking you is to be quiet, in order to not to disturb other friends in class who do wish to listen. If you have any question, catch my attention right away, or come to discuss it over office hours, but please don’t wait until the last moment before the exams.

Students with Disabilities

The Americans with Disabilities Act (ADA) is a Federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact:

Office of Student Disability Resources and Services, Gee Library Room 132

Phone: (932) 886 – 5150 or (932) 886 – 5835

Email: Rebecca.Tuerk@tamuc.edu

Scholastic Dishonesty

Academic integrity is the cornerstone of the university. Any student, who attempts to gain an unfair advantage over other students by cheating, will fail the course and be reported to Texas A&M University-Commerce. “All students enrolled at the University shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment” Student Handbook.

Nondiscrimination Statement


Texas A&M University-Commerce will comply in the classroom, and in online courses, with all Federal and state laws prohibiting discrimination and related retaliation on the basis of race, color, religion, sex, national origin, disability, age, genetic information, or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained.

Campus Concealed Carry

Texas Senate Bill - 11 (Government Code 411.2031, et al.) authorizes the carrying of a concealed handgun in Texas A&M University-Commerce buildings only by persons who have been issued and are in possession of a Texas License to Carry a Handgun. Qualified law enforcement officers or those who are otherwise authorized to carry a concealed handgun in the State of Texas are also permitted to do so. Pursuant to Penal Code (PC) 46.035 and A&M-Commerce Rule 34.06.02.R1, license holders may not carry a concealed handgun in restricted locations. For a list of locations, please refer to (<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/34SafetyOfEmployeesAndStudents/34.06.02.R1.pdf>) and/or consult your event organizer). Pursuant to PC 46.035, the open carrying of handguns is prohibited on all A&M-Commerce campuses. Report violations to the University Police Department at 903-886-5868 or 9-1-1.

Class Schedule

Date	Class	Topic
Jan. 19	1	Introduction to the course, Review of some statistical methods, Introduction to Financial Management
Jan. 26	2	Financial Statements & Ratio Analysis, The Time Value of Money
Feb. 2	3	Risk and Rates of Return
Feb. 9	4	Risk and Rates of Return
Feb. 16	5	Exam #1
Feb. 23	6	Bonds
Mar. 2	7	Bonds
Mar. 9	8	Equity Valuation
Mar. 23	9	Capital Budgeting Decision Criteria, The Cost of Capital
Mar. 30	10	Exam #2
Apr. 13	11	Options
Apr. 20	12	Options
Apr. 27	13	Options
May 4	14	Review
May 11	15	Exam #3

 The schedule is due to possible changes.

Good luck...