**Course Syllabus**

**Financial Management I**

**New Orleans Executive MBA Program**

**June 24 – July 23, 2022**

# **Course** Financial Management I

# **Professor** Bill Reese

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Office Hours: by appointment

**Text** *Corporate Finance* 12th Edition by Ross, Westerfield, Jaffe, Jordan

**Prerequisites** Introductory courses in Accounting and Statistics

**Grading** Exam 55%

Four Quizzes 40% (10% each)

Attendance 5%

**Objectives**: The goal of this course is to provide you with a sound understanding of the theory of corporate finance. We will cover a wide range of topics, including the time value of money, stock and bond valuation, the calculation of cash flows for a project, capital budgeting, the relationship between risk and return, and the cost of capital. By the end of the course you will have been introduced to the basic tools used in analyzing the investment and financing decisions made within firms.

**Calculators**

**and Excel** Calculators and/or Excel will be allowed for all quizzes and tests. A financial calculator that can solve for present value (PV), future value (FV),and internal rate of return (IRR) or a laptop computer with Excel is essential for some problems and is required for this course. My suggestion is that you use Excel, but if you decide to use a financial calculator, I recommend that you use one of the following: HP-12C; HP-10B; or Texas Instruments BAII Plus.

**Optional Review**

**Sessions** I will hold optional online review sessions prior to the start of classes on the second and third weekends. This will be a time for us to go over quiz problems and review any material that we have already covered. We will decide on the days and times for these reviews during our first weekend of classes.

**Quizzes** I have posted ten problems on the website for each of the chapters we will have a quiz on. I have also posted the solutions for each of these problems as well as videos where I demonstrate and explain how to solve them. I encourage you to discuss these problems with your classmates whenever possible, and work through them in groups. Each of your quizzes will be one of the ten problems I have posted on the website – exactly as given, but with some of the numbers changed. This should allow you to answer the quiz problem quickly and easily. The dates for the quizzes are given in your class schedule. There are no quizzes scheduled for the first weekend of classes. We will not have time to work through the quiz problems in class, but will work through as many as you want during the optional review sessions.

**Additional**

**Problems** Your textbook has a number of problems at the end of each chapter. I have reviewed these problems, and have listed the ones I think will help you the most on our class website. I have also posted the solutions manual for these problems on the class website. I strongly encourage you to work through these problems before you begin to work on the potential quiz problems.

**Website** I will be maintaining a website for this course at

<https://breeseemba.tulane.edu/> On it, I have posted chapter problems, class notes, solutions to end-of-chapter problems in your text, quiz problems and solutions, and other worthwhile information. In particular, if you print out the class notes and bring them to class with you, I think you’ll find it easier to follow the lectures and you will not have to spend as much time writing everything down. The class website will be available for you even when Canvas isn’t.

**Preparation** Prior to the first weekend of classes, please read through chapters 1, 4, and 8 in your text. We will not discuss the material from chapter 1 in class, but it is important foundational material – particularly if you have never taken a finance course before. We will begin our class discussions with the material contained in chapter 4 – The Time Value of Money.

**Online Teaching** At the time I am preparing this syllabus, I have been told that this class will be presented 100% live in our classroom. That is the best method for learning. However, if that needs to be changed, it can also be taught online through Zoom or a mixture of the two. I have already pre-recorded Zoom lectures for most of the material which can be viewed if needed or desired.

**Attendance** You are expected to attend every class in its entirety. However, if illness or unusual circumstances prevent this, please let me know. I will work with you as best as possible. You will not be able to receive credit for this course if you miss more than 1/3 of the class-time.

**Norms and**

**Expectations** This class will be conducted in full accordance with published Norms and Expectations for Students in Freeman Classes. Please review the Norms and Expectations in your program handbook.

**Academic Integrity** This class will be conducted in full accordance with Tulane’s policies about academic integrity including, but not limited to, the Unified Code of Graduate Student Academic Conduct (<http://tulane.edu/provost/upload/Unified_Code_of_GS_Academic_Conduct_11-14-07.pdf>) and the Tulane University Code of Student conduct (<http://studentconduct.tulane.edu>).

**Disabilities** Under the Americans with Disability Act and Section 504 of the Rehabilitation Act, if you have a disability, you may have the right to an accommodation; however, the right is contingent upon your taking certain steps. You should review the steps that you need to take, as well as Tulane’s policy concerning accommodations at <http://erc.tulane.edu/disability/index.html>. Any student with a disability, in need of course or examination accommodation, should request an accommodation through the University’s Goldman Office of Disability Services (ODS) located on the first floor of the Mechanical Engineering Building. At the beginning of the semester, please provide me with a copy of your approved ODS accommodation form. I am committed to working with ODS to ensure that I provide you with all approved accommodations. If you do not deliver the approved accommodation form to me, I will not know that ODS approved your accommodation and I will have no basis to provide those accommodations.

**Syllabus** Please note that this syllabus is not a contract. It is a statement of expectations and information. I reserve the right to change anything in it at any time.

**Course Schedule**

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| --- | --- | --- | --- |
| **Date** | **Material** | **Chapters** | **Quizzes** |
| First Friday | Introduction  The Time Value of Money | 1 and 4 |  |
| First Saturday | Bonds | 8 |  |
| Between Weekends One and Two, read chapters 9, 5, and 6 and work through the problems for chapters 4 and 8-9 | | | |
| Second Friday | Inflation  Stock | 9 | 4 |
| Second Saturday | Net Present Value  IRR  Calculating Cash Flows | 5, 6 | 8-9 |
| Between Weekends Two and Three, read chapters 10, 11 and 13 and work through the problems for chapters 5-6 and 10-11 | | | |
| Third Friday | Risk and Return  Asset Pricing | 10, 11 | 5-6 |
| Third Saturday | Determinants of Beta  WACC | 13 | 10-11 |