



**MBAD 6152-U91: Financial Management**  
**Fall Semester, 2016**

**Professor:** Dr. Yilei (Elay) Zhang  
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**Email:** [yzhang74@uncc.edu](mailto:yzhang74@uncc.edu)  
**Class:** Tuesday 5:30 – 8:15 pm, CITY 906  
**Office Hours:** Center City: Tuesday before/after class at Room 713 faculty cubicles  
Main campus: Monday & Wednesday 10:00am – 12:00pm, and by appointment  
**Course web page:** <https://uncc.instructure.com/>

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**Prerequisites**

MBAD 6112 *Economics of Business Decision Making*

MBAD 6131 *Management Accounting*

Access to and familiarity with web browsers, a spreadsheet program and a word-processing program.

**Course Overview and Objectives**

The objective of the course is to provide an overview of the basic concepts and principles of financial management. The goal is to enable you to think through and come up with solutions to complex business problems from a finance perspective. Topics to be covered include the corporate form of organization, time value of money, stock and bond valuation, financial decisions (capital budgeting, capital structure and payout), and firm valuation. I will emphasize both the mathematical “tools” of financial decision making as well as the reasoning and concepts in appropriately applying these tools.

**Course Structure**

This course is designed to provide a hybrid experience, including both face-to-face and online activities. The time-line and content of on-line sessions and face-to-face sessions are provided in the attached course schedule. On-line sessions will be self-paced listening to lecture recordings. Please be sure to listen to recordings on schedule and complete the lecture notes. Face-to-face sessions will focus on problem solving and active learning (i.e., learning by doing). The in-class activities involve problems that help prepare you for exams and for real-world financial decision making, as well as collecting and analyzing real-world data for companies. The classroom learning-by-doing is sometimes conducted in small groups, and this also typically aids the learning process. **Please bring your laptop to class for the face-to-face sessions.**

### Course Materials

- **Recordings:** Recording lectures, which are a combination of PowerPoint slides and my voice-over, are posted on the course website. It is your responsibility to listen to the recordings, and you should have your notes in front of you (to write on) as you listen to the recordings.
- **Course Lecture Notes:** The lecture notes are available on the course website. They are the PDF file version of the recordings. The notes are not complete in that the solutions to most of the numerical examples are not included. You are encouraged to listen to the recordings to “complete” your notes.
- **Practice Questions:** Each class lecture note has a corresponding practice questions (and answers) file. The practice questions focus on the key concepts in my lecture notes and working through them is an essential part of the course. You are not required to turn in your work on the practice questions. For your sake, please resist the temptation to simply look at the solutions to the problems without having worked them yourself.
- **In-class Activities Materials:** Problem sets, cases and instructions of in-class activity materials will be posted on the course website. Please print out a hard copy and bring to class for face-to-face sessions.
- **Calculator:** You need to acquire a financial calculator and bring it to each class. The class examples will use a Texas Instruments BA II Plus. For convenience, set the display format to at least six decimal places and the compounding frequency to 1x per period.

| <b>Purpose</b>                                 | <b>TI BA II Plus Keystroke</b> |
|--|--------------------------------|
| Set the display format to six decimal places   | [2nd] [FORMAT] [6] [ENTER]     |
| Set the compounding frequency to 1x per period | [2nd] [P/Y] [1] [ENTER]        |

- **Textbook** (recommended): **Financial Management: Theory and Practice, 14<sup>th</sup> Edition**; Brigham and Ehrhardt (BE); South-Western Cengage Learning, 2013.

### Evaluation

Your final grade will be based the following items:

| <b>Item</b>       | <b>Weight</b> | <b>Exam date / Due</b> |
|-------------------|---------------|------------------------|
| Mid-term exam     | 20%           | 10/4/2016              |
| Final exam        | 35%           | 12/13/2016             |
| Quizzes           | 10%           |                        |
| Group assignments |               |                        |
| Case 1            | 5%            | 9/16/2016              |
| Case 2            | 7%            | 10/28/2016             |
| Case 3            | 14%           | 11/30/2016             |
| Take-home project | 9%            | 12/9/2016              |

**Grading scale:** Your overall numerical grade will be rounded to the nearest integer and then converted to a letter grade according to the following table:

|                     | <b>Range of Numerical Grade</b> |         |         |        |
|---------------------|---------------------------------|---------|---------|--------|
|                     | 90+                             | 80 – 89 | 70 – 79 | 0 – 69 |
| <b>Letter Grade</b> | A                               | B       | C       | U      |

**Exams:** The midterm exam will be given during one face-to-face class meeting time. Exam date is given in the attached course schedule. The final exam will be administered according to the UNCC Final Examination Schedule. Exams will be closed book and closed notes. Students are allowed to bring a financial calculator and a letter-sized piece of paper with formulae and notes (you may use both sides of the paper).

**Quizzes:** Six quizzes will be given. Quizzes are open-book and open-notes. Students should work on the quizzes individually. Quizzes will be given during face-to-face sessions. The time for each quiz is 15 minutes. All quiz questions are multiple choice questions. ***There will be no make-up opportunities for missed quizzes.*** You can drop the two quizzes with the lowest scores (i.e., I only count 4 quizzes).

**Group assignments:** Three group projects will be assigned during the course. Further details on the assignments are forthcoming. The projects are small group assignment. You may work in groups of 2-3 people (acceptable to work individually). All members of a group will receive the same grade. The projects will focus on relating the material covered in lectures to actual companies. Topics will (likely) include corporate governance, capital budgeting and cost of capital. Consideration for grades will include completeness, accuracy, quality of analysis, and professional appearance.

**Take-home project:** A comprehensive take-home project will be assigned. Each student should work **independently** on the project. My goal is to assess how well you are able to apply the financial concepts and techniques from this class to realistic scenarios and problems.

### Communication

The easiest way to get in contact with me is through email. I frequently check my email and will always respond to your email. If I haven't responded, that means, for whatever reason, I did not receive it. Please continue to email me until you get a response. If you can't email me, call my office (704-687-7638) and leave a voice message.

Much out-of-class communication will be done by email. I will contact you on your standard UNCC email address (@uncc.edu). If you respond to me with another email address, I will assume it is fine to respond back to you at that same email address. When I email the entire class, I will only use your UNCC email address.

### Make-up Policies for Exams

Make-ups for exams may be requested for valid excuses only. All excuses must have verifiable documentation. Foreseeable excuses (e.g. traveling for work) must be documented and requests received at least one week in advance of the exam. The only acceptable unforeseen excuses for exams are death or serious illness in the family or a student illness. These also must be documented (e.g., by a death announcement or doctor's letter). If you miss the final for a legitimate reason, you will be given an "Incomplete" and a makeup final will be arranged accordingly. A student missing a test with an unexcused absence will receive a score of zero.

### When You Need Help

Please seek assistance if you have any questions about course material or difficulties with the concepts. This includes questions during class, office hours or appointments, by e-mail, before you hand in assignments, and after you receive your grade. Your preparation and willingness to interact with me really helps to keep us on track and in tune with each other during the lecture sessions.

### Disability Services

If you have a disability that affects your ability to do the work in this course, please contact the Office of Disability Services to obtain a Letter of Accommodation and provide it to the instructor. The office is 230 Fretwell and the phone number is 704-687-4355.

### Codes of Conduct

All students are required to read and abide by the UNC Charlotte Code of Student Academic Integrity and the UNC Charlotte Code of Student Responsibility (<http://legal.uncc.edu/policies/up-407>). Violations of the Codes will result in disciplinary action as provided in the Codes.

It is the students' responsibility to be fully and accurately informed of University policies, including, but not limited to, rules regarding dropping and adding classes, graduation requirements, and student conduct. The Dean of Students Office is the authoritative source for these policies.

### Statement on Diversity

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

## Course Schedule

The schedule is subject to change and topics may be added/omitted depending on the pace of the class. F2F stands for face-to-face; and BE stands for Brigham and Ehrhardt's textbook.

| Week | Date  | Topics  | Readings               |
|------|---|---|------------------------|
| 1    | 8/23<br>(5:30-6:15 pm F2F;<br>the rest on-line) | Orientation<br>Lecture 1. Introduction to corporate finance<br><a href="#">Case 1: Corporate governance environment</a> | BE Ch. 1 and 13        |
| 2    | 8/30<br>(on-line)                               | Online recorded lecture:<br>Lecture 2. Time value of money  | BE Ch. 4               |
| 3    | 9/6<br>(F2F)                                    | In-class discussion<br><b>Quiz 1</b> (Lecture 2)  |                        |
| 4    | 9/13<br>(on-line)                               | Online recorded lecture:<br>Lecture 3. Bond valuation<br>Lecture 4. Common stock valuation                              | BE Ch. 5<br>BE Ch. 7   |
| 5    | 9/20<br>(F2F)                                   | In-class discussion<br><b>Quiz 2</b> (Lecture 3)  |                        |
| 6    | 9/27<br>(on-line)                               | Online recorded lecture:<br>Lecture 5. Capital Budgeting - Investment Criteria<br>Lecture 6. Project Cash Flows         | BE. 10<br>BE Ch. 11    |
| 7    | 10/4  | <b>1<sup>st</sup> Midterm exam (Lectures 1 – 4)</b>   |                        |
| 8    | 10/11   | Student recess (no class)   |                        |
| 9    | 10/18<br>(F2F)                                  | In-class discussion<br><a href="#">Case 2: Investment project analysis</a><br><b>Quiz 3</b> (Lecture 5)                 |                        |
| 10   | 10/25<br>(on-line)                              | Online recorded lecture:<br>Lecture 7. Cost of Capital (part I and Part II)   | BE Ch. 9<br>BE. Ch. 11 |
| 11   | 11/1<br>(F2F)                                   | In-class discussion<br><a href="#">Case 3: Weighted average cost of capital</a><br><b>Quiz 4</b> (Lecture 7)            |                        |
| 12   | 11/8<br>(on-line)                               | Online recorded lecture:<br>Lecture 7. Cost of Capital (part III)<br>Lecture 8. Project analysis and Real Options.      | BE Ch. 15              |
| 13   | 11/15<br>(F2F)                                  | In-class discussion<br><b>Quiz 5</b> (Lecture 8)  |                        |
| 14   | 11/22<br>(on-line)                              | Online recorded lecture:<br>Lecture 9. Capital Structure  | BE Ch. 14              |
| 15   | 11/29<br>(F2F)                                  | In-class discussion<br><b>Quiz 6</b> (Lecture 9)  |                        |
| 16   | 12/6  | Take-home project   |                        |
| 17   | 12/13   | <b>Final exam (Lectures 5 – 9)</b>  |                        |