Instructor:

Joel F. Houston
303D Stuzin Hall
392-7546 (Direct line to office)
392-0153 (Department office)
Email: Joel.Houston@warrington.ufl.edu

Office Hours: Monday and Wednesday, 6th period. I am generally around each day, and if my schedule permits, I am willing to meet with students outside of office hours. If you need to set up a more formal meeting, please email or call me to set up an appointment.

Teaching Assistant:

Dana Clark – OFF CAMPUS
Email: Dana.Clark@warrington.ufl.edu

As the course teaching assistant, Dana will be responsible for grading the individual and group assignments. She will also be available if you have questions about the course material. She will not be holding regular office hours, but please feel free to email her if you have any concerns/questions about your grade in the class.

Course Sections:

Section 5282: Monday and Wednesday, Periods 3-4; Hough 250
Section 5281: Monday and Wednesday, Periods 7-8; Hough 250
Section 158F: Monday and Wednesday, Periods 9-10; Hough 250

Course Objectives:

This course is designed for the general business student, not just the finance specialist. Since this is a survey course, we will cover many topics. We will begin with a general overview and then go into more detail on several concepts, financial instruments, and techniques used in financial decision-making.
The chief objectives of the course are:

1. To introduce you to the world of finance. Anyone involved with the management of a business needs to have at least some minimal knowledge of business finance.
2. To introduce you to basic financial concepts, such as the time value of money, asset valuation, and risk and return.
3. To introduce you to the basic quantitative tools for analyzing financial problems.
4. I hope that by the end of this course you will have a grasp of basic finance principles and that you will have gone beyond just memorizing facts and formulas. This will enable you to better understand current events in finance and will provide a solid framework for any subsequent courses you may take in finance.

**Required Materials:**

- Throughout the term, I will periodically post class notes and other information on the class website.
- On the exams, you will be able to use a financial calculator and/or a BLANK Excel sheet. If you decide to purchase a calculator, any basic model this is fine as long as it does the basic time value of money functions and the cash-flow (NPV, IRR etc.) functions.

Two good candidates are the HP-10BII+ or TI-BAII Calculator. Other approved financial calculators (which are more expensive) include the following:

- HP-17BII
- HP-12C

We have posted tutorials for each of these popular acceptable calculators on the class web page.

Note, that on the exams you must use an approved financial calculator and/or a BLANK Excel sheet. You specifically are **not allowed** to use a computer/PDA device/smart phone or other device that stores and/or sends text.

**Recommended Materials:**

There is no required textbook for the class. However, depending on your background and learning style, you may find the following textbook to be a useful source of background reading and additional practice problems:

Please note that Professor Flannery will be requiring this text in Finance 5439(Fin 2) – so if you plan on taking his course, it definitely makes sense to purchase it now, so that you will have it available for both courses. Also note that it is also okay if you choose to purchase an earlier edition of the text (I have confirmed this with Professor Flannery as well).

Course Requirements:

Group Problem Sets

Throughout the term, students are expected to complete two group-oriented problem sets. These problem sets will focus on key ideas covered in class, and will also incorporate spreadsheet applications and real world information. We will establish these groups during the first week of class.

The problem sets are each worth 10% of your final course grade, and together will count for 20% of your final course grade.

In-Class Examinations

During the term, we will have two in-class exams. Each exam will consist of a series of problems and short-answer questions. All materials covered in class and in the assigned readings up until that point are fair game – I will give you more guidance as the term progresses.

Each exam will be closed book, but you are allowed to bring a 1-page (front and back) standard (8 ½ x 11) “cheat sheet,” in which you are free to include any information that you feel is helpful. You are also allowed to use an approved calculator and/or a BLANK Excel sheet during the exam. Please note that you are not allowed to share calculators or computers, and you cannot access any Excel templates or other files during the exam.

The first exam is worth 35% of your final course grade, while the second comprehensive exam is worth 45% of your final course grade.

The first exam will be held in class on Wednesday, January 31st at your regularly scheduled classroom and time. The second exam will be held in class on Monday, February 26th at your regularly scheduled classroom and time.

Course Grading

Your final course grade will be determined as follows:

2 Group Problem Sets (10% each) 20%
First Examination 35%
Second Examination 45%
Grading Distribution for the Group Problem Sets:

The group assignments will be graded using the following scale:

- 93 -100%  A
- 90-92.99%  A-
- 87-89.99%  B+
- 83-86.99%  B
- 80-82.99%  B-
- 77-79.99%  C+
- 73-76.99%  C
- 70-72.99%  C-
- 67-69.99%  D+
- 63-66.99%  D
- 60-62.99%  D-
- < 60%  E

Grading Distribution for the Examinations:

The scale for the exams is not pre-set. Instead, the exams will be curved to insure that the overall class GPA is roughly within the target GPA for the class (3.2-3.5).

Students are expected to regularly participate in class discussion, and to be productive contributors to their group assignments. Evidence to the contrary will lead to a lowering of course grades.

Make-Up Policy:

Make-up exams will generally not be offered. If students are unable to attend the first exam because of extraordinary circumstances, they can request to be excused. If they are excused, the second exam will be reweighted to account for 80% of their final course grade. All students are expected to attend the second exam.

Students requesting classroom accommodation must first register with the Dean of Students Office. The Dean of Students Office will provide documentation to the student who must then provide this documentation to the Instructor when requesting accommodation.

Please note that both plus and minus grades may be assigned. The following website summarizes the current UF grading policies for assigning grade points:

https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx
Practice Problems:

As you strive to master the course material, you will find it very helpful to work through a variety of problems on an on-going basis. On the class website, I have put together some useful resources that you should find to be helpful. These resources include:

- Online practice problems – for each major topic, I have put together a list of practice problems and solutions. I think you will find it helpful to keep up with these problems as we progress through the course.
- Sample of old exams – these exams should give you a rough idea of the format and the type of questions to expect on the exam. They will also provide another good source of practice problems.
- Video review problems – these are a handful of short problems that I have put together that are related to some of the key course topics. On the website, you will find the problem, the corresponding solution and a short video that walks through the solution.
- Textbook practice problems – these are a list of suggested problems from the recommended textbook along with some fairly detailed solutions. Please note again that the textbook is recommended but not required.
### Tentative Course Outline:

<table>
<thead>
<tr>
<th>Date</th>
<th>Course Topic</th>
<th>Text</th>
<th>Graded Element</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/8</td>
<td>Class Introduction, Corporate Objectives, Financial Environment</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>1/10</td>
<td>Financial Environment, Financial Statements</td>
<td>2,3</td>
<td></td>
</tr>
<tr>
<td>1/15</td>
<td>MLK Day - NO CLASS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1/17</td>
<td>Financial Statements, Time Value of Money</td>
<td>2,3,4</td>
<td></td>
</tr>
<tr>
<td>1/22</td>
<td>Time Value of Money</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>1/24</td>
<td>Interest Rates and Bonds</td>
<td>5</td>
<td>Group Problem Set on Time Value of Money and Financial Statements</td>
</tr>
<tr>
<td>1/29</td>
<td>Interest Rates and Bonds</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>1/31</td>
<td>FIRST EXAMINATION (IN-CLASS)</td>
<td>6</td>
<td>FIRST EXAM, CHAPTERS 1-5</td>
</tr>
<tr>
<td>2/5</td>
<td>Risk and Return</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>2/7</td>
<td>Risk and Return, Stocks</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>2/12</td>
<td>Stocks</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>2/14</td>
<td>Basics of Capital Budgeting</td>
<td>10</td>
<td>Group Problem Set on Interest Rates, Bonds, Risk &amp; Return, and Stocks</td>
</tr>
<tr>
<td>2/21</td>
<td>Estimating Cash Flows and Risk</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>2/26</td>
<td>FINAL EXAMINATION (IN-CLASS)</td>
<td></td>
<td>FINAL EXAM, CUMULATIVE WITH EMPHASIS ON CHAPTERS 6, 7, 10, &amp; 11</td>
</tr>
</tbody>
</table>