

## Syllabus for MGMT 526: Financial Management Fall 2015

**Section:** 001 (CRN 47677)  
**Class Time:** MW, 4-5:15 PM, ASM 1016  
**Instructor:** Mary Anne Majadillas  
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**Office:** ASM 2168  
**Office Phone:** 505-277-6471  
**Office Hours:** M,W 3 – 3:45pm, or by appointment

### Course Description

This course introduces you to financial management. In this course, you will learn about the tools needed to evaluate financial decisions. While the perspective is from that of senior management in a corporation, many of the tools and concepts can be applied to small business and personal financial decisions.

### Learning objectives

At the end of the course, you must be able to:

- Demonstrate a working knowledge of the time value of money
- Demonstrate a general knowledge of risk and return, and apply this knowledge to the valuation of basic financial securities such as stocks and bonds
- Demonstrate a working knowledge of financial ratios
- Demonstrate a working knowledge of capital budgeting

### Text

Brigham and Daves. Intermediate Financial Management, 12ed.

- Publisher: Cengage Learning

### Financial Calculator

A financial calculator is recommended for this class. I use a TI BA II Plus and TI BA II Professional and can show you how to use these. If you decide to use a different calculator and need help, come and see me before the exam and we can try to figure out how to use your calculator. Otherwise, I do not answer questions about the calculator during exams.

### Access to course materials

I will post all course materials on UNM Learn.

### Grading

Your grade will be based on the following:

Three Exams	70%
Assignments	20%
Exercises in-class	10%
Total	100%

I do not round off the final numerical grades. For example, if your total points at the end of the semester is 92.99999999%, your grade will be A-.

### Exams

- The exam may consist of multiple choice questions and/or essay and problem-solving questions covering material in the lectures, exercises, homework, and other assigned material from the text. Your two highest exam scores will be counted at 25% each towards your final grade, the lowest exam score will be counted at 20% towards your final grade.
- You are allowed to use a calculator and a cheat sheet during exams. The cheat sheet should be on a single 8" x 11" sheet (you may use both sides). Cheat sheets can be type-written. It is important to make sure that you understand what you put down on your cheat sheet. For this reason, during the exam, I will not help you interpret what you wrote down on your cheat sheet – this includes verifying whether your formulas are correct.
- You will get a grade of zero on any exam that you miss due to an unexcused absence. You need to inform me in advance if you will not be able to take the test as scheduled. Excused absences on an exam day are limited to documented (in writing) illnesses, university sponsored events and emergencies. If you miss any of the exams you will get an incomplete or an F in the course, depending on the circumstances. The schedule of the tests is as follows:

First Exam	Sept 23
Second Exam	Oct. 28
Final Exam	Dec. 7, 5:30-7:30pm

### Assignments

These will typically be problems related to the material we are covering in class. You are encouraged to collaborate with your classmates on these assignments. Instructions will be given out in detail for each assignment. Assignments will be handed out in class and will not be posted on the class website. There will be no opportunity to make up missed assignments. I will drop the lowest score.

### Exercises in-class

These will be one or two questions given at the end of class that will cover material that we have just discussed in class. There will be no opportunity to make up missed exercises. I will drop the lowest score.

### **Grading scale**

Total points	Letter grade
97% - 100%	A+
93% - 96.99%	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+
60% - 66.99%	D
0% - 59.99%	F

### **Classroom policy**

I expect you to come to class and to read ahead and be familiar with the material prior to coming to class. Questions and active participation in discussions are highly encouraged since these help reinforce what we think we know from reading and working on problems. If you do have to miss class, it is your responsibility to catch up on what you miss. I suggest asking a classmate what we have gone over on any day that you are absent. Finally, please be courteous and act professionally in class. Arriving late for class, getting up during class, or leaving early is disruptive to others. Thank you in advance for your cooperation.

### **ACADEMIC INTEGRITY**

**Anderson School of Management faculty, staff and students commit to values of trust, honesty, integrity, and accountability. We will not tolerate academic dishonesty. By enrolling in any course at Anderson, the student accepts the Anderson Academic Honesty Code and affirms the following pledge:**

*I will not lie, cheat, fabricate, plagiarize or use any other dishonest means to gain unfair academic advantage.*

Any violation of the code of conduct will be taken very seriously and appropriate sanctions will be applied. FOR FULL TEXT OF ANDERSON'S ACADEMIC HONESTY CODE, please visit <http://www.mgt.unm.edu/honesty> . Please take a moment to read the academic honesty code. I will drop you from the class if you commit any act of academic dishonesty.

### ***ADA Statement***

Reasonable accommodation will be given to any individual with a legitimate disability. Please contact the instructor privately for arrangements. If you are a qualified person with disabilities who might need appropriate academic adjustments, please communicate with me as soon as possible so that we may make appropriate arrangements to meet your needs in a timely manner. Frequently, we will need to coordinate accommodating activities with other offices on campus. Course materials can be made available in alternative formats.

## Topics Covered

Following is a tentative list of topics to be covered in class. Depending on our progress in class, we may be spending more/less time on the topics listed below. We may also spend time discussing other related topics as they come up in class. You will be informed ahead of time if there are any important changes.

Intro	Ch.1
Time Value of Money (PV, FV, Annuities, Perpetuities), Rates of Return	Ch.28
CAPM, Beta	Ch.2
Bond Valuation, Yield Curve	Ch.4
Ratio Analysis	Ch.7
Stock Valuation	Ch.8
Capital Budgeting Decision Criteria (NPV, Payback, IRR, MIRR)	Ch.12
Capital Structure	Ch.16&17
Dividend Policy	Ch.15

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### Anderson School of Management Student-Managed Investments Program

In 2006, the Board of Regents of the University of New Mexico made available \$2 million of the Regents' Endowment Fund to establish an all-equity investment portfolio to be managed by Anderson School of Management students. The portfolio is managed under the supervision of faculty members as part of the students' course work in finance.

The curriculum for the program consists of a 3-course sequence which is offered at both the undergraduate and MBA level. The courses are Investments, Equity Security Analysis, and Applied Investments Management.

The Investments course (BBA 471/MBA 571) provides an introduction to the fundamental theories and practices of investment analysis and management.

The Equity Security Analysis (MBA 572) course covers company valuation and equity analysis. Students serve as the program's equity research analysts. The students are responsible for providing the research valuation reports and recommendations for stock holdings, and they also look for new stocks to recommend.

The Applied Investments Management course (BBA 479/MBA 579) is the final course in the sequence and provides the hands-on management of the Regents' Portfolio. The student "portfolio managers" make recommendations for how to allocate the equity portfolio among sector exchange-traded funds and individual stocks as well as how to allocate and cash. They also are responsible for monitoring, reporting, and risk management as well as the long-term trend positions.

An Investment Advisory Committee (IAC), consisting of 9 investment professionals, acts as the oversight body to the program and approves any purchase and sale recommendations made by the students. The portfolio is managed between semesters by student volunteers with faculty supervision.

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