**Course Syllabus**

**Finance 6030 – Managerial Finance**

**Fall 2024**

# **Professor** Bill Reese

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 Office Hours: Wednesdays 4-5 pm in person or via Zoom

**Text** *Corporate Finance* By Ross, Westerfield, Jaffe and Jordan

13th Edition

While I strongly encourage you to purchase the 13th edition of the text, and you are responsible for the material in that edition, ultimately, the choice of which edition to purchase and indeed whether to purchase a text or not is up to each student.

**Prerequisites** Satisfactory completion of all courses in the first half of the fall semester of the full-time MBA program

**Grading** Midterm Exam 25%

 Final Exam 50%

 Quizzes 20% (5% each)

 Attendance 5%

The Final Exam will be cumulative, but will concentrate on the

more recently covered material. I plan to adhere to the Freeman School grading guidelines which recommend a class-GPA in the range of 3.00 – 3.33 for core graduate courses.

**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, the theory of efficient markets, 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.

**Website** In addition to our Canvas site, I will be maintaining a website for this course at <https://breesefine7160.tulane.edu/> This website will be available to you even after this course is finished and will contain the Class Notes, Excel Spreadsheets, Quiz Problems and Solutions, and links to other finance sites.

**Attendance** This is an in-person class. It is not being offered as a remote class. As a helpful review tool, I plan to record each class and post the recording on Canvas, but viewing a recorded class does not affect your attendance requirement. Students are prohibited from posting class recordings or sharing them elsewhere. You are responsible for anything covered in class, even if you are not in attendance that day. A lack of attention during class, or inappropriate use of a laptop or cellphone during class can have an impact on your attendance points. I do not differentiate between an “excused absence” vs. an “unexcused absence” except if Tulane University has asked you to miss class or you are observing a religious holiday.

**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.

**Quizzes** On the class website, I have posted ten problems along with their solutions, for the material covered in chapters 4, 5-6, 8-9, and 10-11. I have also recorded videos in which I work through all 40 problems. These videos are also on the class website.

I have scheduled four in-class quizzes. The quizzes will always be one of the ten problems (with some minor numerical changes) I have listed on the course website. Many of these problems were ones that I have asked on exams in previous years, so they are a good example of the level of difficulty you should expect on the midterm and final exams. I encourage you to discuss these problems with your classmates whenever possible, and work through them in groups. When we have an in-class quiz (there will be four of them), I will expect that you have already worked through the problem on your own, so you should be able to do it quickly and easily for the quiz. For the quizzes, you will be allowed to refer to the formula sheet that I will provide for you, and you will be allowed to use Excel (though you must start with a blank spreadsheet). No other notes or materials will be allowed.

**Chapter**

**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.

**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.

**Midterm Exam** Our midterm exam will be held during our regular class time on November 12. However, so that you can have a full three hours to complete it (if you need that much time), you can start the exam at noon.

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

* **Freeman Educational Norms and Expectations**

This class is in full accordance with [Freeman’s Educational Norms and Expectations](https://tulane.app.box.com/s/o9q75385zep0ad3izl91ke783wiosesb).

* **Goldman Center for Student Accessibility and ADA/Accessibility Statement**

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 <https://accessibility.tulane.edu/>.

Any student with a disability or in need of course or examination accommodation, should request an accommodation through the University’s Goldman Center for Student Accessibility, located in the basement of the Howard Tilton Memorial Library. Visit https://accessibility.tulane.edu or call 504.862.8433 for more information.

At the beginning of the semester, please provide me with a copy of your approved accommodation form. I am committed to working with the Goldman Center 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 the Goldman Center approved your accommodation and I will have no basis to provide those accommodations.

* **Statement about Academic Integrity**

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 graduate program handbook which can be found on the Freeman School website <https://freeman.tulane.edu/current-students/graduate-student-resources>.

**Finance 6030**

Fall 2024

Tentative Schedule

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Material to be Covered** | **Chapters to be Read** |  **Quiz** |
| 10/22 | IntroductionTime Value of Money | Chapters 1 and 4 |  |
| 10/24 | Time Value of Money |  |  |
| 10/29 | Time Value of Money |  |  |
| 10/31 | Bonds | Chapter 8 | Chapter 4 |
| 11/5 | Stock | Chapter 9 |  |
| 11/7 | Capital Budgeting | Chapter 5 | Chapters 8-9 |
| 11/12Noon-3pm | Midterm ExamChapters 1, 4, 8, and 9 |  |  |
| 11/14 | Cash Flow Analysis | Chapter 6 |  |
| 11/19 | Risk and Return | Chapter 10 |  |
| 11/21 | Asset Pricing | Chapter 11 | Chapters 5-6 |
| 12/3 | Asset Pricing |  |  |
| 12/5 | WACC Market Efficiency | Chapter 13 | Chapters 10-11 |
| TBA4 hours | Final Exam |  |  |